

&4 FRP 6HQDWL (QYLURQPHQWL DQGL 3XEOLF L :RUNV L &RPPLWHL +ROGV L +HDULQJH RL RI

&4 L &21*5(66,21\$/ L 75\$16&5,376

&RQJUHWLRQDOL +HDULQJV

-DQJ L QL ← QL →

6HQDWL (QYLURQPHQWL DQGL 3XEOLF L :RUNV L
&RPPLWHL +ROGV L +HDULQJ L RQL
1RPLQDWRQ L RI L 6FRWW L 3UXLWW L WR L EH L (3\$ L
\$GPLQLWUDWRU

/,67 L 2) L 3\$1(/ L 0(0%(56 L \$1' L :,71(66(6

%\$55\$662 L

*RRG L PRUQLQJ L , L FDOOL WKLVL KHDLQJ L WR L RUGH L :HL KOYH L TXLWH L DL IXOOL KRXH L
NRGD L , L ZHOPRH L WKH L DXGLHQFH L 7KLV L LV L DL IRUPDOL 6HQDWL KHDLQJ L DQGL LQ L
RUGH L WR L DOORZ L WKH L FRPPLWHL WR L FRQGXFW LWW L EXVLGHM L ZHOO L PDLQNDLQ L
GHFRUXP L

7KDW PHDQV L LI L WKH JH L DUH L GLVRUGHU L GHPROMUDALRQV L E\ L DL PHPEHUL RI L WKH L
DXGLHQFH L WKH L SHMRQ L FDXVLQJ L WKH L GLVUXSALRQ L ZLOO L EH L HMFRUWKG L TURP L WKH L
URRP L E\ L WKH L &DSLWRO L 3ROLFH L

6LQFH L WKLVL LV L RXU L 7KDW KHDLQJ L RI L WKLVL VHWLRQ L , GL OLNH L WR L ZHOPRH L RXU L QHZ L
PHPEHUL L 6HQDWL -HUV L ORUDQ L DQGL -RQL L (UQW L 7DPP L 'XFNZRUV L
DQGL .DPDOD L +DUULV L 7KDN L \RX L YHU L PXFK L DQGL FRQJUDWODALRQV L LQ L MRLQAJ L
AKH L FRPPLWHL

, GL DOVR L OLNH L WR L ZHOPRH L 6HQDWL 7RPL &DUSHU L LQ L KLV L QHZ L UROH L DV L WKH L
UDQNLQJ L PHPEHUL RI L WKH L FRPPLWHL

\RX L DUH L KHJ L HMHQ L LI L \RX L KOYH L DL VFUDAFK L WKRDW L +!! L \HDUV L TURP L ZKHQ L
\RX L ZHU L D L WUDVXUH L RI L 'HODZDUH L PHPEHUL RI L &RQJUHW L JRYHGRU L
PHPEHUL RI L WKH L 8 L 6HQDW L KOYH L QRW PLWHGL DL GD L \RX L DUH L &DO L
5LSNHQ L -XQLRU L WKH L , URQ L ODQ L VR L WUDQW L IRU L EH L QL KHJ L 7KDN L \RX L , L
ORRN L IRUZDUG L WR L ORRN L ZLWK L \RX L

\HDQ L KH L GHMHUHV L DSSCDXVH L WUDQW L ULJKW

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L +HDULQDJH^{LL} RI^L

:W^L UHJDUG^L WR^L SURFHGXUH[⊗] L ZH^L ZLOO^L IROORZ^L WKH^L HDUOL^L ELUG^L UXCH^L LQ^L WHUPV^L RI^L
AKH^L RUGHU^L RI^L PHPEHUV^L TXHMLRQ[⊗] L OHPEHUV^L ZKR^L ZHUH^L KHUH^L DW^L WKH^L WDUW[⊗] L DV^L
IRX^L DOO^L DUH[⊗] L ZLOO^L EH^L SODFHG^L LQ^L WKH^L OLQH^L EDMHG^L RQ^L IRXU^L VHQLRUW^L RQ^L WKH^L
FRPPLW^H^L OHPEHUV^L ZKR^L DUJYH^L DMHUL^L WKH^L KHDLQJ^L KOV^L WDUW^H^G L ZLOO^L EH^L
DGGHG^L WR^L WKH^L OLQH^L LQ^L WKH^L RUGHU^L WKH^L DUJYH[⊗]

:W^L UHVSHFW^L WR^L WRGD\VL^L KHDLQJ[⊗] L ZHOO^L EH^L ++ L ZHOO^L DELGH^L E^L WKH^L
FRPPLW^H^V^L ILYH[†] PLQXWH^L UXCH[⊗] L 7KH^L ILYH^L PLQXWH^V^L LQFOXGH^V^L CRW^MXW^L WKH^L
TXHMLRQ[⊗] L EXW^L DOVR^L WKH^L QRPLQH^H^V^L DQVZHU[⊗] L VR^L , L DVL^L RXU^L PHPEHUV^L WR^L
SCHDMH^L CHDYH^L HQRXJK^L WLPH^L IRU^L WKH^L QRPLQH^L WR^L DQVZHU^L IRXU^L TXHMLRQ[⊗] L
7RGD\VL^L ZHOO^L KOV^L FDQ^L URXQGV^L RI^L TXHMLRQ[⊗] L DV^L DUH^L GHFHWDUV[⊗] L VR^L WKDW^L
PHPEHUV^L TXHMLRQ^V^L DUH^L DQVZHUHG[⊗]

7RGD\VL^L KHDLQJ^L LV^L WR^L FRQVLGHU^L WKH^L QRPLQD\LRQ^L RI^L \$WRUQH^V^L *HQHUDO^L RI^L
2NODKRPD[⊗] L 6FRWW^L 3UXLW[⊗] L WR^L EH^L WKH^L DGPLQLWUDWU^L WKH^L (QYLURQPHQWDO^L
3URWHLRQ^L \$JHOF[⊗]

\$WRUQH^V^L *HQHUDO^L 3UXLW^L KOV^L EH^L QL^L GLWALQJXLVKHG^L SXEOLF^L VHUYDW^L DV^L ZHOO[⊗] L
DQG^L ZH^L ZLOO^L KHDL^L IURPL^L KLV[⊗] L WKH^L VDPH^L IURPL^L KLV^L IHOORZ^L 2NODKRPDQ^L WRGD\VL^L
+H^L VHUYHG^L HLJKW^L \HDUV^L LQ^L WKH^L 2NODKRPD^L 6DNH^L 6HQDWH[⊗] L EHIRUH^L EH^L LQ^L
HOHRW^L DMRLQH^L JHQHUDO^L RI^L 2NODKRPD^L LQ^L 1RYHPEHU^L RI^L !! ¶ !! ♦ L ZKHUH^L KH^L
WALOO^L VHUYHV[⊗]

7KHUH^L DUH^L QXPHURXV^L WDNH^HPHQW^L IURPL^L KLV^L SHU^V^L DQG^L WKH^L SHRSCH^L WKDW^L KH^L
KOV^L KHOSHG^L RYHUL^L WKH^L \HDUV[⊗] L WKDW^L WDNQ^L DV^L D^L WHWDPHQW^L WR^L KLV^L WLRQ^L
TXDOLI LFDWL^LRQ^L WR^L UXQ^L WKH^L (QYLURQPHQWDO^L 3URWHLRQ^L \$JHOF[⊗]

7ZHQW[†] IRXU^L WDNH^L DMRLQH^V^L JHQHUDO^L ZURW^L WR^L ERWK^L 5DQNLQJ^L OHPEHUV^L
&DUSHU^L DQG^L WR^L PH[⊗] L WDNALQJ^L WKDW^L TXRWH[⊗] L | \$V^L DMRLQH^V^L JHQHUDO[⊗] L ZH^L
XQGHUW^{DQG}^L WKH^L QHG^L WR^L ZRUN^L FRODERUDALYH^H^V^L WR^L DGGUHW^L WKUHDW^L WR^L RXU^L
HQYLURQPHQW^L WKDW^L FURWL^L WDNH^L OLQH[⊗] L DV^L ZHOO^L DV^L WKH^L LPSRUWDQFH^L RI^L D^L
IHGHUDO^L FRXQWHSUJW^L LQ^L WKH^L (3\$^L DGPLQLWUDWU[⊗] L ZKR^L SRWMMHV^L WKH^L
NQRZOHGJH[⊗] L H[SHUHQFH^L DQG^L SULQFLSOM[⊗] L WR^L ZRUN^L ZLW^L RXU^L WDNH^V^L WR^L
DGGUHW^L LWXHV^L DI IHFALQJ^L RXU^L HQYLURQPHQW[⊗] L :H^L EHOLHYH^L WKDW^L CR^L RQH^L
H[HPSOLI LHV^L WKHM^L TXDOLW^LHV^L PRUH^L WKDQ^L 6FRWW^L 3UXLW[⊗] |

1RZ^L \$WRUQH^V^L *HQHUDO^L 3UXLW^L KOV^L WDNH^L RQ^L SROOXW[⊗] L LQFOXGLQJ^L WKH^L RLO^L
LQGXW[⊗] L ZKHQ^L WKHUH^L LV^L FDXH[⊗] L 5DQG^L (OOLV[⊗] L DQ^L DZDUG^L ZLQQLQJ^L
LQHMLWJDALYH^L UHSRUW^L ZLW^L 7KH^L 2NODKRPDQ^L CHZVSDDSHU[⊗] L SUDLVHG^L 3UXLW^L IRU^L
KLV^L DELOLW^L WR^L WDNH^L RQ^L LQGXW[⊗]

KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHMLRQDOWDQFULSW "¶" + SULQW^VWKH ¶ + !!

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L +HDULQDJH^L RI^L

7KH^L SDSHU^L KLIKOLJKW^H^L WKH^L ZRUN^L RI^L \$MRUQH^L *HQHUDO^L 3UXLWW^L WR^L KROG^L D^L ODWH^L
RLO^L FRPSDQ^N^L DFFRXQDEOH^L 7KLV^L LVL ZKOW^L (OOLV^L WDNHG^H^L +H^L VDLG^H^L | OU^H^L 3UXLWW^L
GHPRQWUDWHG^L WKOW^L KH^L ZLOO^L WDNH^L RQ^L LGXWU^L ZKHQ^L WKH^L RYHUWHS^H^L ZKHQ^L KH^L
VXHG^L RLO^L FRPSDQLHV^L VXFK^L DV^L %\$^H^L ZKR^L NORZLQJO^L GRXEOH^H^L GLS^L EV^L FROOHFWLQJ^L
UHLPEXUMPHQW^L IRU^L FRUHWLYH^L HQYLURQPHQWDO^L FRWW^L IRU^L VIWHV^L WKOW^L WKHYH^L
SROOXWHG^H^L |

7KLV^L LVL ZK^H^L, L EHOLHYH^L 3UHMLGHQW^L HOHW^L 7UXPS^L GRPLQDWHG^L \$MRUQH^L *HQHUDO^L
3UXLWW^L WR^L VHUYH^L DV^L WKH^L DGPLQLWUDARU^L RI^L WKH^L (QYLURQPHQWDO^L 3URWHLRQ^L
\$JHQF^V^L 7KH^L (3\$^H^L XQGHU^L WKH^L CHDGHMUKLS^L RI^L D^L TXDOOLIHG^L DQG^L UHMSQVLECH^L
DGPLQLWUDARU^H^L LVL D^L YLWDOLWR^H^L WKOW^L PXWW^L EH^L XVHG^L WR^L SURWHRW^L WKH^L DLUL^L ZH^L
EUHDWKH^H^L WKH^L ZDWHU^L ZH^L GULQ^H^L DQG^L FRPPXQLWLHV^L ZKHUH^L RXU^L IDPLOLHV^L OLYH^H^L
,WW^L WUXO^L D^L VDFUHG^L WUXWW^H

&ROOHDJXHV^L RQ^L ERWK^L VLGHV^L RI^L WKH^L DLVCH^L VD^L WKOW^L \$MRUQH^L *HQHUDO^L 3UXLWW^L
KDV^L WKH^L ULJKW^L H[SHULHQFH^L IRU^L WKH^L SRVWLRQ^H^L \$MRUQH^L *HQHUDO^L 3UXLWW^L
XQGHUWDOQV^L WKH^L QHG^L WR^L ERWK^L SURWHRW^L WKH^L HQYLURQPHQW^H^L ZKLOH^L DOORZLQJ^L
RXU^L QDWLRQ^L HFRQRPA^L WR^L JURZ^H^L 7KH^L DJHQF^V^L QHGVL^L D^L CHDGHU^L ZKR^L ZLOO^L
IROORZ^L WKH^L ODZV^L FUHDWHG^L EV^L WKLV^L FRPPLW^H^L

'XULQJ^L WKH^L ODWW^L HLJKW^L \HDUW^H^L (3\$^L DGPLQLWUDARUV^L FUHDWHG^L EURDG^L DQG^L
CHJDOD^L TXHWWLRQDEOH^L QHZ^L UHJXODWLRQ^H^L ZKLFK^L KDYH^L XQGHULQHG^L WKH^L
\$PHULFDQ^L SHRSOH^L IDW^L LQ^L WKH^L DJHQF^V^L 7KHM^L UHJXODWLRQ^L KDYH^L GRQH^L
JUHDW^L GDPDJH^L WR^L WKH^L OLYHOLKRRGV^L RI^L RXU^L QDWLRQ^L KOUHWW^L ZRUNLQJ^L FIW^L JHQF^V

7KH^L UHJXODWLU^L]HDO^L RI^L WKH^L ODWW^L HLJKW^L \HDUW^L KDV^L YLRODWHG^L D^L IXQGDPHQWDO^L
SULQFLSOH^L RI^L HQYLURQPHQWDO^L WHZDUGMUKLS^H^L ZKLFK^L LV^L GR^L QR^L KDUP^H^L 7KLV^L IDLOHG^L
HQYLURQPHQWDO^L CHDGHMUKLS^L KDV^L FRQULEXWHG^L WR^L WZR^L RI^L WKH^L ZRUNW^L
JRYHUQPHQW^L FUHDWHG^L HQYLURQPHQWDO^L GLVDWVHV^L LQ^L GHFDGH^H^L WKH^L *ROG^L. LQJ^L
OLQH^L VSLOO^H^L DQG^L)OLQW^L OLFKLJDQV^L ZDWHU^L FULVLU^H^L 7KRMH^L GLVDWVHV^L KXW^L SHRSOH^H^L
PDQ^L IURP^L ORZ^L LQPRPH^L DQG^L PLGRUIM^L FRPPXQLWLHV^L ZKR^L FDQ^L CHDW^L DIIRUG^L LW^H

\$V^L, YH^L GLVFXWHG^L ZLWK^L \$MRUQH^L *HQHUDO^L 3UXLWW^H^L P^L KRPH^L WDNH^L RI^L
:\RPLQJ^L LVL D^L CHDGLQJ^L HQHUV^L SURGXFLQJ^L WDNH^H^L :\H^L KDYH^L DEXQGDQW^L
VXSSOLHV^L RI^L FRDO^H^L QDWLRQ^L JDV^H^L FUXGH^L RLO^L DQG^L XUDQLXP^H^L 7KHM^L LGXWUULHV^L
SURYLGH^L WKRWDQGV^L RI^L JRRG^H^L SD\LQJ^L MREV^L IRU^L :\RPLQJ^L FRPPXQLWLHV^H^L

:\H^L DU^L DOVR^H^L LQ^L P^L RSLQLRQ^H^L RQH^L RI^L WKH^L PRWW^L EHDXWIXOL WDNH^L LQ^L WKH^L
QDWLRQ^H^L :\H^L DU^L KRPH^L WR^L <HORZVWCH^L DQG^L *UDQ^L 7HWRQ^L QDWLRQ^L SDUNV^H^L
DQG^L QXPHURXV^L QDWLRQ^L IRUHW^L DQG^L SULWLG^L ODNH^L DQG^L ZDWHUZD\W^H^L 2XU^L
ZLOGOLIH^L SRSXODWLRQ^L LVL GLYHUV^L DQG^L DEXQGDQW^H^L :\H^L KDYH^L WKULYLQJ^L
SRSXODWLRQ^L RI^L JUL^H^L JOV^L EHDUW^H^L ZROYHM^H^L HON^L DQG^L ELVRQ^H

&4 FRP[†] 6HQDWH^L (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPLW^L +ROGV^L +HDULCDJH^L RI^L

3HRSCH^L WUDYH^L TURPL^L DURXQG^L WH^L ZRUGL^L WR^L FRPH^L WR^L :RPLQ^L EHDXVH^L RXU^L
WDWHV^L QDWKUDOL^L UHVRXUHV^L DUH^L VSHWDFXODU^L :RPLQ^L KDV^L PDQDJHG^L WR^L
WULNH^L WKDW^L EDODQFH^L EHWH^L RXU^L HQYLURPHQW^L DQG^L RXU^L HFRQRPV^L DQG^L LW^L
VKRZV^L

)RU^L HJKW^L \HDU^L :RPLQ^L KDV^L VXI^L WH^L XQGHU^L DQ^L (3\$^L WKDW^L GLGQW^L EHOLHM^L
LQ^L WULNLQJ^L DL^L EDODQFH^L \$V^L (3\$^L UHJXODWLQV^L FUXKHG^L HQHJJ^L MREV^L LQ^L P^L
WDWH^L WDWH^L UHWHQH^L THOO^L WKDW^L SD\VL^L IRU^L WDWH^L SURJUDPV^L 7KLV^L LQFOXGHV^L
SD\VLQJ^L IRU^L RXU^L YLWDOL^L HQYLURPHQWDO^L SURJUDPV^L

&HDUDOV^L L D^L ZKRCHMDCH^L FKDQJH^L LV^L QHGHG^L \$Q^L QHZ^L DGPLQLWUDRU^L RI^L WH^L
(QYLURPHQWDO^L 3URWHLRQL^L \$JHQF^L QHGV^L WR^L SURWHRW^L WH^L HQYLURPHQW^L LQ^L D^L
UHSRGVLECH^L ZD^L WKDW^L GRMOW^L LJGRUH^L WH^L JRRGL^L ZRUN^L WKDW^L WDWH^L GR^L WR^L
SURWHRW^L WHLU^L DLU^L ODQG^L DQG^L ZDWHU^L DV^L ZHOO^L DV^L WHLU^L HFRQRPLH^L

\$W^L WKLV^L WLPH^L ,GL^L OLNH^L WR^L DWN^L UDQNLQJ^L PHPEHU^L 6HQDWRU^L &DUSHU^L L IRU^L DQ^L
RSHQLQJ^L WDWHPHQW^L

&\$53(5^L

OU^L &KDLUPDQ^L WKDN^L \RX^L 7KDQN^L \RX^L IRU^L EULQJLQJ^L XV^L KHUH^L WRGDV^L 7KDQN^L
\RX^L IRU^L \RXU^L NLQG^L NLQG^L ZRUGV^L DV^L ZHOO^L /HW^L PH^L EHJLQ^L E\ L ZHFRPLQJ^L RXU^L
QRPLQH^L L KLV^L ZLIH^L ODULO\Q^L ++ L ODUD\Q^L DQG^L WHLU^L FKLOGUHQ^L &DGH^L DQG^L
OF^L HQD^L WR^L ZKDW^L DL^L YHU^L LPSRUWDQW^L KHDLQJ^L

-XW^L SW^L ++ L WKLV^L SDWW^L 6XQGD\ L PRUQLQJ^L , L URVH^L DW^L GDZQ^L L DQG^L , L ZHOM^L IRU^L DL^L
CRQJ^L UXQ^L ,W^L WRN^L PH^L WKURXJK^L DL^L EHDXWIXO^L WDWH^L SDUN^L LQ^L WH^L CRWKHQ^L SDUN^L RI^L
'HODZDUH^L

, L UHDVKHG^L WH^L SDUN^L DM^L VXQULVH^L MXW^L DV^L WH^L VXQ^L ZDV^L FRPLQJ^L XS^L L DQG^L WH^L
VNU^L ZDV^L WXLQJLQJ^L DL^L EULOOLDQW^L EOXX^L 7KH^L ZLQHUL^L DLUL^L ZDV^L FULVS^L L DQG^L FOHDU^L L
:LOGOLIH^L ZDV^L DOOL^L DURXQG^L ,Q^L DL^L ZRUGV^L L W^L ZDV^L SHUHF^L L \$V^L , L UDQ^L L , L VDLGL^L DL^L SUD\T^L
RI^L WKDNVJLYLQJ^L IRU^L WH^L JLW^L RI^L WKLV^L PRPHQW^L

/DWHU^L WKDW^L PRUQLQJ^L P\ L ZLIH^L DQG^L , L ZHOM^L WR^L FKXUFK^L L DQG^L WHUH^L ZH^L MRLQHG^L
RXU^L FRQJUHJDWLQ^L LQ^L VLQJLQJ^L DL^L K\PQ^L WKDW^L EHJDQL^L ZLWK^L WHMH^L ZRUGV^L L |)RU^L
AKH^L EHDXM^L RI^L WH^L HDW^L L IRU^L WH^L JORV^L RI^L WH^L VNLHM^L L IRU^L WH^L CRM^L ZKLFK^L
IRUPHG^L RXU^L ELW^L RYHU^L DQG^L DURXQG^L XV^L OLHV^L L /RUG^L RI^L DOO^L L WR^L WH^L ZH^L UDLVH^L
AKLV^L RXU^L K\PQ^L RI^L JUDWIXO^L SUDLVH^L |

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +HDULQDjh^L RI^L

7KRVL^L ZRUGV^L TLOOHGL^L P\^L KHDW^L ZLNK^L HPRWLRLQ^L WKH^L DQG^L WKH^L GR^L VR^L DJDLQ^L
AKLV^L PRUQLQJ^L ,QL D^L OLWCHL^L PRUH^L WKDQ^L + L KRXUW^L 'RCDQG^L 7UXPS^L ZLOO^L SODFH^L KLV^L
KDQG^L RQ^L D^L ELEOH^L +HDL WDNH^L DQ^L RDWK^L WR^L GHIIHQG^L RXUL^L FRXQWU^L DQG^L
FRQWVWALRQ^L 7KDW^L ELEOH^L UHPLQGV^L XV^L UHSHDW^L WR^L CRYH^L RXUL^L CHLJKERUV^L DV^L
RXUHOYHM^L DQG^L LW^L DQVZHV^L WKH^L TXHWLRQ^L ZKR^L LV^L P\^L CHLJKERU^L

\$OM^L IRXQG^L LQ^L WKRVL^L SDJHV^L DUH^L VFRUHV^L RI^L DGPRQLWRQ^L ZLNK^L + + L DERWW^L
DGRKHL^L REOLJDALRQ^L WKDW^L WKRVL^L RI^L XV^L ZKR^L OLYH^L RQ^L WKLV^L HDWK^L DUH^L H[SHWHG^L WR^L
PHW^L 6LPSOV^L SXW^L ZHUH^L WR^L VHJM^L DV^L WHZDUGV^L RI^L WKLV^L SODQW^L L, L EHOLHYH^L WKDW^L
ZH^L KOMH^L D^L PRUDOL^L REOLJDALRQ^L WR^L GR^L VR^L

\$L JUHDW^L PDQ^L RI^L P\^L FROHDJXHV^L LQ^L WKH^L 6HQDWL^L DJUH^L DQG^L VR^L GR^L PRW^L
\$PHULFDQ^L :H^L QHG^L WR^L EH^L FRQYLGFG^L WKDW^L \RX^L HPEUDFH^L LW^L DV^L ZHOO^L L GRW^L
VXW^L ZLNK^L \RXUL^L ZRUGV^L EXW^L ZLNK^L \RXUL^L GHHG^L L OXF^L RI^L \RXUL^L UHFRUG^L VXJJHMW^L
RAKHUZLVH^L \$QG^L WRQ^L DQG^L LQ^L WKH^L GD\VL^L WKDW^L IROORZ^L ZH^L QHG^L WR^L ILQG^L RXW^L
ZKHUH^L WKH^L WUXAK^L OLHV^L

/HDGLQ^L WKH^L (QYLURQPHQWDO^L 3URWHLRQ^L \$JHQF^L LV^L KDG^L ZRUN^L 7KDW^L
DJHQF^L FUHDWHG^L E\^L 3UHMLGHQW^L 5LFKDU^L 1L[RQ^L DQG^L D^L ELSDUWLDQ^L &RQJUHM^L L
+ + L \HDUV^L DJR^L L VLVWDNHG^L ZLNK^L LPSCHPHQWLQJ^L RXUL^L QDWLRQ^L PRW^L LPSRUWDQW^L
FOHDQ^L DLW^L FOHDQ^L ZDWHU^L DQG^L VDIH^L FKPLFDO^L ODZV^L

7KH^L (3\$^L LV^L UHTXLUGH^L WR^L XH^L VRXQG^L VFLHQFH^L WR^L SURWHR^L ERWK^L RXUL^L
HQYLURQPHQW^L DQG^L RXUL^L SXEOLF^L KHDKW^L L %^L DQG^L ODUH^L L WKH^L (3\$^L KDV^L GRQH^L WKLV^L
VXFFHWIXOO^L IRU^L GHFDGHM^L L ZKLOH^L RXUL^L HFRGRP^L KDV^L FRQWLOXHG^L WR^L JURZ^L

ODQ^L LQ^L WKLV^L URRPLWRQ^L PD\^L GRW^L UHPPHEU^L D^L WLPH^L EHIRUH^L WKH^L (3\$^L L D^L
ALPH^L ZKHQ^L WDNH^L KDG^L WR^L ZRUN^L LQGLYLGXDOO^L WR^L SURWHR^L FFLWJHQV^L LQ^L WKH^L
FRPPXQW^L LQ^L ZKLFK^L WKH^L OLYH^L D^L WLPH^L EHIRUH^L WKH^L &CHDQ^L :DWHU^L \$FW^L DQG^L
&CHDQ^L \$LU^L \$FW^L ZHUH^L VLJQHG^L LQWR^L ODZ^L D^L VLJQ^L ZKHQ^L EXVLQHWHV^L RSHUDWLQJ^L
AKURXJKRW^L WKH^L 8^L 6^L ZHUH^L IDFHG^L ZLNK^L D^L PULDG^L RI^L FRQIOLWLQJ^L WDNH^L DQG^L
CRFDO^L ODZV^L DI IHWLQJ^L RXUL^L KHDKW^L DQG^L RXUL^L HQYLURQPHQW^L

7KH^L FKRNQJ^L VPRJ^L DQG^L VRRW^L RI^L D^L KDOI^L FHQWU^L DJR^L VHP^L XQIDAKRPDECH^L
QRZ^L 5LYHUV^L RQ^L I LUH^L DQG^L GHDO^L WR[LFL SOXPHV^L VRXQG^L OLNH^L VRPHWKLQJ^L IURP^L
DGRKHL^L ZRUGV^L LPSRWLECH^L LQ^L RXUL^L 8QW^L 6WDWHV^L RI^L \$PHULFD^L

7RGD^L ZH^L KDH^L WKH^L OXJXU^L RI^L ODUH^L IRUHWWLQJ^L WKHMH^L TULJKWHLQJ^L
FLUFXPWWDQFH^L LWDQW^L WR^L WKH^L HI IRUW^L RI^L WKH^L (QYLURQPHQWDO^L 3URWHLRQ^L
\$JHQF^L L WAW^L HPSORVHHM^L LQ^L SDUNQHUVKLS^L ZLNK^L WDNH^L DQG^L CRFDO^L DJHQFLHM^L L DQG^L
ZLNK^L FRPSDQLHV^L DFURW^L \$PHULFD^L

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HDULQDJH^L RI^L

,Q^L IDFW^L WKH^L (3\$^L DQG^L LWW^L PDQ^L SDUQHUV^L WKURXJKRW^L WKLV^L FRXQWU^L KOYH^L
EHQ^L VR^L VXFHWIXO^L WKDW^L LWW^L HDV^L IRU^L VRPH^L RI^L XVLWR^L IRUJHW^L MXW^L ZK^L WKLV^L
DJHQF^L LVL VR^L FULWLFD^L)RU^L VRPH^L LWW^L DOVR^L HDV^L WR^L SUHMXP^L WKDW^L QRW^L PXFK^L
PRUH^L ++ L WKHUHV^L QRW^L PXFK^L PRUH^L IRU^L WKH^L DJHQF^L WR^L GR^L DQG^L WKDW^L MXW^L FRXOG^L
QRW^L EH^L IXUWKHU^L TURP^L WKH^L WUXAK^L

7KH^L HQYLURQPHQWDO^L WKUDHW^L WKDW^L ZH^L IDFH^L WRGD^L DUH^L UHD^L L 7KH^L GROW^L
UHMSHW^L WDWH^L ERXQGDULHV^L \$V^L ZH^L FRQMLGHU^L DL^L QRPLQH^L WR^L UXQ^L RXU^L QDWLRQ^L
IRUHPRW^L HQYLURQPHQWDO^L CHJDF^L DJHQF^L LWW^L ZRUWK^L UHPLQGLQJ^L HYHU\RH^L
KHUH^L ZK^L WKH^L PLWLRQ^L RI^L WKH^L (3\$^L LVL VR^L FULWLFD^L DQG^L MXW^L ZKDW^L LVL DW^L WDWH^L

2YHU^L WLPH^L P^L WDWH^L RI^L 'HODZDUHV^L PDGH^L ++ L WKH^L KOYH^L PDGH^L JUHDW^L WUULGHV^L
LQ^L FODQLOQJ^L XS^L RXU^L RZQ^L DLU^L SROOXALRQ^L EXW^L RXU^L ZRUN^L RQ^L JRHV^L VR^L IDU^L
'HODZDUHV^L OLNH^L PDQV^L WDWHM^L RQ^L WKH^L (DW^L &RDW^L L VWW^L DW^L WKH^L HQG^L RI^L ZKDW^L LV^L
NQRZQ^L DV^L \$PHULFDV^L WDLOSLSH^L

1LQHW^L SHUFHOW^L RI^L WKH^L DLU^L SROOXALRQ^L LQ^L 'HODZDUHV^L FRPHV^L TURP^L RXWLGH^L RI^L WKH^L
ILUWW^L WDWH^L TURP^L SRZHU^L SODQW^L L KXQGUHG^L RI^L PLOHV^L DZD^L L LQ^L SODFH^L OLNH^L
.HQWKFNV^L 2KLR^L ,QGLDQ^L DQG^L DFURW^L WKH^L OLGZH^L

\$V^L JRHJGRU^L RI^L 'HODZDUHV^L L L^L , L KOGL HOLPLQDWHG^L HYHU^L VRXUH^L RI^L DLU^L SROOXALRQ^L
ZIWKLQ^L P^L WDWH^L L WRSSHG^L HYHU^L FRPEXWLRQ^L VRXUH^L DQG^L RUGHUHG^L HYHU^L
PRARU^L YHKLFOH^L RI^L WKH^L URDG^L L 'HODZDUHV^L ZRXOG^L WLQH^L KOYH^L IDFHG^L GHDOV^L
GRVHV^L RI^L DLU^L SROOXALRQ^L

6KRXOG^L FKLOGUHQ^L DQG^L RAKHUV^L LQ^L 'HODZDUHV^L UHD^L EH^L TRUFG^L WR^L OLYH^L ZIWK^L WKH^L
FRQHTXHQFH^L RI^L GHFLVLRQ^L PDGH^L E^L SROOXALRQ^L KXQGUHG^L RU^L HYHQ^L
A\KRXVDQG^L RI^L PLOHV^L DZD^L L ZKR^L JDLQ^L HFRQRPLFD^L TURP^L RXU^L
GLVGDGYDQNDJH^L , L GROW^L WKLN^L VR^L

)RUWKDWH^L WKH^L (3\$^L KOV^L UHFHQW^L LPSCHPHQW^L VRPHWKLQJ^L FDQH^L WKH^L
*RRG^L 1HLJKERU^L UXO^L WR^L PDNH^L VXUH^L WKDW^L DOL^L WDWHM^L GR^L WKH^L IDLU^L VDUH^L WR^L
FODQ^L XS^L WKH^L DLU^L (YHU^L FIWL) HQ^L LQ^L WKLV^L FRXQWU^L KOV^L D^L ULJKW^L WR^L EUHDWKH^L FODQ^L
DLU^L L UHDUDGHW^L RI^L ZKHUKHU^L WKHUH^L LQ^L D^L GRZQZLQG^L RU^L DQ^L XSZLQG^L WDWH^L
7KDW^L LVL ZK^L ZH^L KOYH^L WKH^L (3\$^L

, L UHPHPEHUL^L LVKLQJ^L DV^L DL^L ER^L L ZIWK^L P^L GDX^L DORQJ^L WKH^L 'DQ^L 5LYHU^L L QHDL^L
P^L KRPHWRZQ^L RI^L 'DQYLOOH^L 9LWLQLD^L L :H^L EURXJKW^L KRPH^L WKH^L LV^L WKDW^L ZH^L
FDXJKW^L WR^L HDW^L DQG^L P^L PRPL DQG^L VLWHL^L DW^L WKH^L DV^L ZHOD^L

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HDULCDJH^L RI^L

7RGD** L WKDW TXLQWHQWLDO^L \$PHULFDQL SDWLPH^L FRPHVL ZIWK^L D^L ZDUQLQJ^L
ODHOK^L 7KDW ULYHU** L DORQJ^L ZIWK^L FRXQWHW^L RAKHUL SROOXWGL WUHDPV** L ULYHUV^L DQG^L
ODNHM** L LQ^L DOO^L ↑ !! L WDNHM** L DUH^L VXEHW^L WR^L SXEOLF^L KHDWK^L DGYLVRLUHM** L FDWLRLQJ^L
FLW^L JHQV^L DJDLQW^L HDWLQJ^L WKH^L PHUFXU*\+ ODHQ^L ILVK^L IRXQG^L LQ^L WKH^L

:HYH^L NQRZQ^L IRU^L GHFDGHV^L WKDW^L PRW^L RI^L WKH^L PHUFXU^L LQ^L RXU^L ILVK^L FRPH^L
IURP^L DLU^L SROOXWLRQ** L WKDW^L HPLWHG^L IURP^L WKH^L GLUWLHW^L FRDOL^L SODQW** L DQG^L WKH^L
VHWCH^L LQ^L RXU^L ZDWHU^L ZDWHU** L :HL DOVR^L NQRZ^L WKDW^L PHUFXU^L LV^L D^L SRZHUIXO^L
QHXURAR[LQ** L WKDW^L DFFXPXODW^L LQ^L WKH^L KXPDQL ERGV^L RYHU^L WLPH^{**} L WKH^L WKH^L
WKH^L KHDWK^L RI^L WKLV^L HQYLURQPHQW^L DQG^L WKLV^L JHCHUDALRQ** L DQG^L IRU^L JHCHUDALRQ^L WR^L
FRPH^L

7KH^L (3\$ L UHFHQW^L LWXHG^L SXEOLF^L KHDWK^L SURWHALRQ^L WR^L FODQ^L XS^L WKH^L WR[LF^L
DLU^L SROOXWLRQ^L IURP^L RXU^L GLUWLHW^L FRDOL^L SODQW** L DODZLQJ^L IDPLOLHV^L LQ^L 'HODZDUH^L
DQG^L WKRXVDQG^L RI^L RAKHUL FRPPXQLWHV^L WR^L RQFH^L DJDLQ^L HDW^L WKH^L ILVK^L IURP^L RXU^L
ULYHUV^{**} L RXU^L ODNHM** L RXU^L WUHDPV** L ZIWKDW^L FRQFHQ^L RI^L PHUFXU^L SRLVRLQJ** L
7KDW^L ZK** L ZH^L KDYH^L WKH^L (3\$

7RR^L RMHQ** L ZKHQ^L WDNH^L DQG^L ORFDOL^L FRPPXQLWHV^L DUH^L SLQFKHG^L IRU^L FDMK** L WKH^L
AU** L VR^L VDYH^L PRQH^L E** L VKRUA*\+ FKDQJLQJ^L FODQ^L DLU^L DQG^L FODQ^L ZDWHU^L
SURWHALRQ** L ,PSURYHFW^L WR^L ZDWHU^L LQIUDWUXW^L DUH^L RMHQ^L WLPHV^L
LJQRUHG^{**} L &RQHUV^L DUH^L FXW^{**} L 6ROXWLRQ^L DUH^L DGRSWHG^L WKDW^L PD** L VDYH^L GROODUV^L
QRZ** L EXW^L LQIOFW^L FRW^{**} L DQG^L XQQHHWDU^{**} L GDPDJH^L ODNHM**

\$V^L ZMH^L VHQ^L PRW^L UHFHQW^L LQ^L WKH^L FLW^L RI^L)OLQW** L OLFKLJDQ** L WKHM^L FXW^L FDQ^L
KDYH^L D^L WHJULEOH** L HYHQ^L D^L WUDJLF^L LPSDW^L RQ^L WKH^L KHDWK^L RI^L WKH^L PRW^L
YXOQHDEOH^L LQ^L RXU^L VRFHWW^{**} L HSHFLDOO^L WKH^L \RXQJHW^L DPRQJ^L XV** L 7RGD** L WKH^L
FLW^L JHQV^L RI^L)OLQW^L WLOO^L ODN^L FODQ^L GULQNLQJ^L ZDWHU** L \$QG^L WKH^L QHZ^L JHCHUDALRQ^L
WKH^L ZKLFK^L KDV^L EHQ^L H[SRVHG^L WR^L KLJK^L CHMOV^L RI^L CHDG** L IDPHV^L DQ^L XQFHJWDLQ^L
IXWUH^{**} L 7KDW^L ZK** L ZH^L KDYH^L WKH^L (3\$

EX^L PD** L GRW^L NQRZ^L LW^{**} L OU** L 3UXLW^{**} L EXW^L 'HODZDUH^L LV^L WKH^L ORZHW^{**} O*LQJ^L WDNH^L LQ^L
RXU^L QDWLRQ** L 7KH^L KLJKHW^L SRLQW^L LQ^L 'HODZDUH^L LV^L D^L EULGHU^{**} L %ODN^L KRPH^{**} L WKH^L
UHDOLW^L WKDW^L RXU^L FOLPDW^L LV^L FKDQJLQJ^L LV^L GRW^L XS^L IRU^L JUDEV^{**} L RU^L XS^L IRU^L CHEOWH^{**}

)DPLOLHV^L DQG^L EXVLQHW^L RZQHUV^L IDPH^L WKH^L WDN^L UHDOLW^L RI^L FOLPDW^L FKDQJH^L
HYHU** L VLQJH^L GD** L \$QG^L WDFNOLQJ^L WKDW^L FKDQJH^L LV^L GRW^L MXW^L WKH^L ULJKW^L WKLQJ^L WR^L
GR^{**} L ZKDW^L LV^L EHWW^L IRU^L 'HODZDUH^L HFRQR^{**} L LW^L LV^L D^L PDW^{HU}L RI^L VXYLYD^{**}

&4 FRP 6HQDWH (QYLURQPHQW DQG 3XEOLF :RUNV &RPPILWH +ROGV +HDUDJH LL RI

7DNH L D L ULGH L ZIWK L PH L VRPHLPH L VRPH L T ! ! L PLCHV L VRXAK L RI L 'RYHU L \$LU L)RUH L
%DMH L KHDGLQJ L HDW VWDZDUG L WKL L 'HODZDUH L %D L RQL 3ULPH L +RRN L 5RDG L DQG L
RXOOL VHL ZKOW , L PHDQ L 7KHUH L ZDV L DLWLPH L CRW L CRQJ L DJR L ZKHUH L MXW
EHIRUH L RX L UDFKHG L WKL L 'HODZDUH L %D L RX L FDPH L WR L DL SDUNLQJ L CRW L 7RGD L
AKW SDUNLQJ L CRW L LV L XQCHU L ZDWHU

6ADQG L WKL L ZIWK L PH L ORNLQJ L WR L WKL L HDW L DQG L RXOOL VHL SDW L RI L D L
FRQFHWH L EXQHUL WFLNLQJ L XS L RXW L RI L WKL L ZDWHU L DERXW Q L RFORFN L 5HFHQD L
VRPHQH L VKRZHGL PH L DL SKRAR L WDNHQ L RI L WKL L EXQHUL LQ L Q L + + L WKL L VHDL , L
ZDV L ERQ L , W ZDV L RQL GU L ODOQ L ↑ ! ! L IHW ZHW L RI L WKL L ZDWHU L HGJH L ↑ ! ! L IHW
ZHW

%W RXU L OLWCH L WDW L DORGH L FDQGRW L WHP L WKL L ICRL L RI L JUHOKRWH L JDHV L LQNL
RXU L DAPRSKHL WDW L ODWHO L FDXVLQJ L RXU L FOLPDWH L WR L FKDQJH L RXU L VHDV L WR L
ULVH L DQG L RXU L FRDWOLQH L WR L UHULHDW L (YHU L WDW L PXW L GR L LAL L IDLU L VDUH L WR L
VDIHJXDUG L RXU L FOLPDWH L DQG L WKL L QHLJKERUV L 7KOW L LV L ZK L ZH L KOYH L WKL L
(3\$

([DPSCHV L RI L DLUL DQG L ZDWHU L SROXWLQJ L SURGXFHG L E V L RQH L WDW L LQ L IRXOLQJ L WKL L
DLU L DQG L ZDWHU L RI L RAKH L FDQ L WLOO L EH L IRXQG L LQ L WRR L PDQ L SDUW L RI L \$PHULFD L
OLNH L WKL L UXQRI I L TURP L 3HQV L OYDQD L WDW GHUDGH L WKL L ZDWHU L RI L WKL L
&KHMDSHDNH L %D L RUL WKL L KOJHL H [SRUWHG L TURP L RAKH L WDW L ZKLK L RMHQ L
ALPHV L VKURXGV L WKL L 6PRN L ORXQNDLQV L DQG L GHUDGH L YLVLELOW L DW WKL L
*UDQG L &DQVRQ L 7KOW L ZK L ZH L KOYH L WKL L (3\$

\$QG L VRPH L RI L P V L FROHDJXHV L GHMFULEH L PH L DV L | UHRYHULQJ L JRYHCRU L | L)RU L
AKH L PRW L SDW L , L EHOLHYH L WDW JRYHCRU L DQG L SUHMLGHQW L GHMHYH L
GHIHUFH L LQ L SLFNLQJ L WKL L PHPEHUV L RI L WKL L CHDGHUMLS L WHPV L \$QG L DV L DL
UHMOW L , YH L JLYHQ L SUHMLGHQW L RI L ERAK L SDUW L WDW GHIHUFH L LQ L PRW L
LQWADQFH V

6LQFH L FRPLQJ L WR L WKL L 6HQDWH L LQ L + ! ! Q L , YH L RSSRMHG L RQV L RQH L RI L WKL L
QRPLQH L IRU L (3\$ L DGPLQLWLDWU L VXSSRUWQJ L WR L 5HSXEOLFDQ L WWR L
'HPRFDW L QRPLQH V L 6XEVHTXHQD L HYHU L (3\$ L DGPLQLWLDWU L WDW , YH L
VXSSRUWQ L GHRQWLDWGL FCHDU L WDW WKL L ZH L FRPPLWNG L WR L IXUWKLQJ L
AKH L RYHDOOL PLWLQJ L RI L WKL L (3\$ L SURWHLQJ L KXPDQ L KHDW L DQG L RXU L
HQYLURQPHQW

, P L DOVR L FRPPLWNG L WR L D L IXOOL DQG L IDLU L FRQILUPDWLRQ L SURFHWA L ZIWK L UHSHFW WR L
RXU L QRPLQDWRQ L WDW WKL L SUHMLGHQW L HCHFW L KDV L RI IHHG L WRR L \$QG L KOYH L
VDLG L WDW L WKRXJK L , YH L VDUHGL ZIWK L OU L 3UXLW L DQG L , OOL VDUH L ZIWK L P V L

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HDULQDHL^L RI^L

FROCHDXHV^L WRGD\ L WKDW^L WRR^L PXFK^L RI^L ZKDW^L ,YH^L VHQ^L RI^L KLV^L UHFRUG^L RQ^L WKH^L
HQYLURQPHQW^L DQG^L KLV^L YLHZV^L DERXW^L WKH^L URCH^L RI^L (3\$^L DUH^L WURXEOLQJ^L DQG^L LQ^L
VRPH^L FDMHM^L GHHSO^L WURXEOLQJ^L

(YHQ^L IRUPHUL 5HSXEOLFDO^L \$GPLQLWUDARU^L (3\$^L \$GPLQLWUDARU^L &KULWALCH^L
:KLUWDQ^L ZLWK^L ZKRP^L , L VHJM^L IRU^L VHYHQ^L \HDUV^L DV^L JRYHGRU^L RI^L
QHLJKERULQJ^L WWDWHM^L L UHFHQW^L VDLG^L WKDW^L VKH^L FDQW^L DQG^L , L TXRWH^L L VKH^L | FDQW^L
UHFDOO^L HYHU^L KDYLQJ^L VHQ^L DQ^L DSSRLQWPHQW^L RI^L VRPHRH^L ZKR^L LV^L VR^L GLVCDLQIXO^L
RI^L WKH^L DJHOF\ L DQG^L WKH^L VFLHQFH^L EHKLOG^L ZKDW^L WKH^L DJHOF\ L GRHV^L |

/HW^L PH^L FRQFOXGH^L ZLWK^L WKLV^L ,W^L KDU^L WR^L LPDJLQH^L D^L PRUH^L GDPQLQJ^L
WWDWHPHQW^L DQG^L IURP^L RQH^L ZKR^L VHJM^L CRW^L CRQJ^L DJR^L LQ^L WKDW^L SRMLRQ^L RI^L
NUXW^L OUK^L 3UXW^L L WR^L ZKLFK^L \RXH^L EHQ^L QRPLQDHG^L 7RQD\ L LV^L \RXU^L
RSSRUWQH^L WR^L VKRZ^L WKDW^L VKH^L JRWHQ^L LW^L ZURQJ^L 7R^L EH^L KRQH^L ZLWK^L \RX^L
FRPLQJ^L WR^L WKLV^L KHULQJ^L WRGD\ L , L IHU^L WKDW^L VKH^L JRWHQ^L LW^L ULJKW^L 7KDQN^L \RX^L

%\$55\$662 L

7KDQN^L \RX^L YHU^L PXFK^L 6HQDWU^L &DUSHU^L

,Q^L D^L IHZ^L PRPHQW^L ,GL OLNL^L WR^L WLQ^L WR^L 6HQDWU^L ,QKRIH^L DQG^L /DONIRUG^L IURP^L
AKHLU^L KRPH^L WWDWH^L RI^L 2NOOKRPD^L L UHDUGLQJ^L WKH^L QRPLQH^L GLWLQJXLVKHG^L
FDUH^L %HIRUH^L , L GR^L WKDW^L WRXJK^L , L ZDQW^L WR^L VD\ L D^L IHZ^L ZRUGV^L DERXW^L
6HQDWU^L ,QKRIH^L DQG^L KLV^L GLWLQJXLVKHG^L FDUH^L DV^L FKDULPDQ^L RI^L WKH^L 6HQDWU^L
(QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L

)LUW^L , L ZDQW^L WR^L WKDN^L P\ L TULHQ^L -LPL^L ,QKRIH^L IRU^L KLV^L CHDGHUMKLS^L RI^L WKLV^L
FRPPLWTH^L +LVL^L GHGLFDWLRQ^L WR^L SURWHFWLQJ^L WKH^L HQYLURQPHQW^L L UHEXLOGLQJ^L RXU^L
QDWLRQ^L LQIUDWUXFWLH^L L WLHQWVWKHQLQJ^L WKH^L FRXQNUV^L HFRGRP^L L ZHJH^L
FOHDQ^L HYLGHQW^L WKURXJKRW^L KLV^L WLPH^L DV^L FKDULPDQ^L L +HL ZRUNHGL DFURW^L SDUW^L
OLQHV^L WR^L JHW^L WKLQJV^L GRQH^L

'XULQJ^L WKH^L ¶ ¶ + WK^L &RQJUHW^L XQGHUL^L -LPL^L ,QKRIH^L CHDGHUMKLS^L L WKLV^L
FRPPLWTH^L KHQG^L + L KHULQJ^L 21 L WKRVH^L HLJKW^L ZHJH^L LHOG^L KHULQJ^L L 7KLUM+
AZR^L ELOOV^L SDWHG^L RW^L RI^L WKH^L FRPPLWTH^L WKDW^L ZHJH^L VLJQHG^L LQAR^L ODZ^L L
&KULPDQ^L ,QKRIH^L XQGHUMZ^L + + L RYHUVZ^L WKH^L 1LUW^L CRQJ^L WHUP^L KLJKZD^L ELOO^L LQ^L
D^L GHFDGH^L L 7KLV^L ODZ^L ZLOO^L LPSURYH^L WKH^L QDWLRQ^L URGV^L EULGJHM^L L WUDQMV^L
V\WHPV^L DQG^L UDLO^L WUDQWSRUWDLRQ^L QHWRUNV^L

KMS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLRQDOWDQWULSW "¶ + SULQWWUXH ¶ + !!

&4 FRP 6HQDWL (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPLWHL +ROGV L +HUI3DJH P R I

+HL DOVR L ZRUNHG L RQ L D L ELSDUWLVDQ L EDMLV L ZIWK L IRUPH L UDQNLQJ L PHPEHU L
%QEDUD L %R[HU L WRL SDWL EDGOL QHGHGL :DWHUL 5HMRXUHV L 'HYHORSPHQW
\$FW- CHJLVODALRQ L 7KLV L QHZ L ODZ L SURUWL]HV L GDP L ZDWHUD L DQG L SRUW-
FRQWUXFWLRQ L SURMHFW L DQG L LW VXSSRUW L IORGL FRQNLROL SURMHFW L WKDW- SURMHFW-
PLOORQ L RI L SHRSCH

)RU L WKH L ILUWW WLPH L LQ L + ! L \HDUM L WKH L 7R[LF L 6XEWDQFH L &RQWROL \$FW- ZDV L
PRGHQJHG L XQGHUL &KOLUPDQ L ,QRIHV L WHQXUH L 7KLV L ODZ L HODFWL D L QHZ L
XQLIRUP L UHJXODARU L SURJUDP L WKDW ZLOO L LPSURYH L SXEOLF L FRQILGHQFH L LQ L WKH L
VDIHW L RI L FKHPFLDO L SURPHW L LQYRDALRQ L DQG L SURYLGH L PDQXIDFWXUHV L
ZIWK L FHJWDLQW L UHJDUGLQJ L UHJXODALRQ

&KOLUPDQ L ,QRIH L DOVR L ZRUNHG L WR L NHIS L WKH L DGPLQLWLDALRQ L DFFRXQWDEOH L
&KOLUPDQ L ,QRIH L ZRUNHG L WR L HQVXUH L WKDW WKHUH L ZDV L RYHUVLJKW L RI L RYHU L
UHDFKLQJ L DGPLQLWLDALRQ L UHJXODALRQ L FRQFHQJQ L WKH L FCHDQ L SRZHUL SODQ L
:DWHUV L RI L WKH L 8 6 L WKH L WUHDP L EXI IHU L UXCH L FRDOL DMK L UHJXODALRQ L DQG L
PDQ L PRUH

6R L ,P L YHU L JODG L WKDW 6HQDWU L ,QRIH L ZLOO L UHPDLQ L RQ L WKH L FRPPLWHL L , L ORRN L
IRUZDUG L WR L ZRUNLQJ L FORHO L ZIWK L KLP L WR L SURMHFW RXU L HQYLURQPHQW DQG L
EROWHUL RXU L QDWLRQ L HFRQRPV

6HQDWU L ,QRIH L WKDN L \RX L IRU L \RXU L KDU L ZRUN L \RXU L GHGLFDALRQ L DQG L \RXU L
CHDHUWKL L 6HQDWU L ,QRIH L \RXU L QRZ L UHFRJQL HG L WR L LQURGXFL DQG L WDQ L
DERXW \$WRUCH L *HQHUDO L 3UXLWW L 7KDQN L \RX

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6HQDWU L %DUDWR L WKDN L \RX L YHU L PXFK L \$QG L ,P L ORRN L QJ L IRUZDUG L WR L
ZRUNLQJ L LQ L D L YHU L VHQLRU L SRMWRQ L RI L \RXU L FRPPLWHL L \$QG L WKV L LV L WKH L
FRPPLWHL WKDW JHAW L WKLQJV L GRQ L DV L 6FRFW 3UXLWW L IXOO L DZDUH

1RZ L , L WKDN L \RX L &KOLUPDQ L %DUDWR L DQG L DOVR L \RX L 6HQDWU L &DUSHU L IRU L
CHWNLQJ L PH L MRLQ L \RX L IRU L WKV L \$QG L ,P L KRQRIHG L WR L MRLQ L P L IHOORZ L VHQDWU L
6HQDWU L /DQNIURU L LQ L LQURGXFLQJ L QRM MXW WKH L DMRUCH L JHQHUDO L RI L + L 6FRFW
3UXLWW L EXW P L JRRG L IULHQ L DQG L WR L RI IHU L P L VXSSRUW L IRU L KLV L QRPLQDWLRQ L WR L
EH L WKH L CHW DGPLQLWLDARU L RI L WKH L (QYLURQPHQWDO L 3URMHFWLRQ L \$JHDF

7KRXJK L QHLKHUL RI L XV L ZHUH L ERUQ L LQ L 2NODKRPD L ZH L JRW KHL DV L TXLFN L DV L
ZH L FRXOG L DQG L ERW L HQGHG L XS L LQ L 7XOVD L DQG L VR L KHL DOVR L D L QHLJKERU L
\$WRUCH L *HQHUDO L 3UXLWW L \RXOO L EH L JODG L WR L NQRZ L WKV L LQDXGLECH L EXW KHL
ZDV L ERUQ L LQ L .HQWPN

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPILWTH^L +ROGV^L +HUI3DJH[¶] ¶ RI ¶

\$QGL KHL VKRZHGL ZKOW++ L ZKOW KHL ZDV^L PDGH^L RWW^L RI[¶] L +HL HQHG^L XS^L DL JUHW^L
EDMHEDOO^L SODVHU[¶] L WKOW ZDV^L ++ L ZDV^L DECH^L WR^L JHW^L DL VRKODUMKL[¶] L DQG^L JR^L
AKURXJK^L WKH^L XQLYHMM^L WKLU[¶] L 7KHQ^L KHL FDPH^L WR^L 2NODKRPD^L DQG^L ZH^L
AKURXJK^L ODZ^L VFKRRO[¶] L DW^L 7XOVD^L 8QLYHMM^L LQ^L 7XOVD[¶] L DQG^L GLG^L DOO^L NLQG^L RI^L
AKLQJV[¶] L +HL VSHFLDOL]HG[¶] L DW^L WKOW VLPH[¶] L LQ^L FRQWILWALRQDO^L ODZ[¶]

,Q^L ¶ ← ¶ *HQHUDO^L 3UXLW^L ++ L 3UXLW^L UDQ^L DQG^L ZDV^L HOHWHG^L WR^L WKH^L 2NODKRPD^L
6WDWHL 6HQDWH[¶] L ZKHUH^L KHL VHJYHG^L VL^L \HDU[¶] L DQG^L KHL TXLFNO^L EHFDPH^L DL
CHDHU[¶] L ,QHG[¶] L VXFRHM^L KDL^L IROORZHG^L KLP^L WKURXJKRW^L KLV^L ODZ^L SUDFWLFH[¶] L WR^L
AKHL 6WDWHL 6HQDWH[¶] L WR^L EHFRPH^L WKH^L FR^L RZHU^L DQG^L PDDQJHU[¶] L PDDQJLQJ^L
JHQHUDO^L SDWQHUL RI^L 2NODKRPD^L &LMVL \$\$\$^L PLGRU^L CHDJXH^L EDMHEDOO^L WHDPL++ L
VH[¶] L ZH^L KDYH^L VRPHWKLQJ^L LQ^L DGGWLRQ^L WR^L WKH^L 7KXQH[¶] L WKOW ZH^L DOO^L IXOOL^L
DZDUH^L RI[¶] L DQG^L LV^L FXUWHQNO^L 2NODKRPD[¶] L RI^L FRXUMH[¶] L DMRLQH[¶] L JHQHUDO[¶]

7KURXJK^L WKH^L FRXUMH^L RI^L KLV^L FDUH[¶] L \$MRUQH[¶] L *HQHUDO^L 3UXLW^L KDL^L WARRG^L RWW^L
DVL^L DL FKOPSLRQL RI^L WDWHL DQG^L LQGLYLGXDO^L ULJKW[¶] L DQG^L KDL^L IRXJKW^L DJDLQW^L
IHGHUDO^L RYHU[¶] L HDU[¶] L QRAKLU^L PRU[¶] L DQG^L QRAKLU^L OHW[¶] L 2NODKRPD^L LV^L
RI^L ODZ[¶] L DQG^L KDL^L ZRUNHG^L WR^L NHIS^L WKRVH^L ++ L WKH^L URCH^L RI^L WKH^L IHGHUDO^L
JRYHUGPHQW^L LQ^L FKHFN[¶]

\$V^L KHDGL RI^L WKH^L (QYLURQPHQWDO^L 3URWHRWLRO^L \$JHQF[¶] L \$MRUQH[¶] L *HQHUDO^L
3UXLW^L ZLOO^L HQXUH^L WKOW WKH^L DJHQF[¶] L IXOLOOV^L WKH^L URCH^L GHQJDWHG^L WR^L LW^L E^L WKH^L
ODZ^L SDWHG^L E^L &RQJUHV[¶] L QRAKLU^L PRU[¶] L DQG^L QRAKLU^L OHW[¶] L 2NODKRPD^L LV^L
DQ^L HQHUV[¶] L DQG^L DJULFXQWUH^L WDWHL[¶] L EXW^L ZH^L DOVR^L DL WDWHL WKOW NQRZV^L ZKOW LW^L
PHDQV^L WR^L SURWHRW WKH^L HQYLURQPHQW[¶] L ZKLU^L EDDQFLQJ^L FRPSHAWLQJ^L LQHUVHWW[¶]

\$V^L DMRLQH[¶] L JHQHUDO[¶] L 6FRW^L ZDV^L LQWUXPHQDO^L ++ L RK[¶] L WKLV^L LV^L DL ELJ^L GHDO[¶] L :H^L
DWXDOO^L KDYH^L KDG^L DQ^L RQJRLQJ^L O\WJDWLRO^L IRU[¶] !! !! L \HDU[¶] L ,W^L ZDV^L WKH^L 6WDWHL RI^L
2NODKRPD[¶] L WKH^L &LM^L RI^L 2NODKRPD^L &LM[¶] L WKH^L &KRPAWZ^L 1DWLRQ^L ++ L WKH^L
&KLFNDVZ^L 1DWLRQ[¶] L ,W^L ZDV^L RYHU^L ZDWHU^L ULJKW[¶] L \$QGL ZH^L ZH^L QHG^L DECH^L WR^L
UHROYH^L WKOW SURECHP[¶]

7KLV^L JX^L FRPH^L WURWLQJ^L DORQ^L DQG^L UHROYH^L LW^L RYHQLJKW[¶] L DMHU[¶] !! !! L \HDU^L
RI^L IDLOXUHV^L RI^L WU^L LQJ^L WR^L JHW^L WKLV^L GRQH[¶] L +H^L DOVR^L ZRUNHG^L ZLWK^L WKH^L 2NODKRPD^L
'HSUJAPHQW^L RI^L (QYLURQPHQWDO^L 4XDM[¶] L DQG^L WKH^L 2NODKRPD^L :DMHU^L
5HMRXUHV^L %RDQ[¶] L WR^L SURWHRW WKH^L VFHQFL^L ULYHUV[¶]

+H^L NLQG^L RI^L DL KHUR^L RI^L WKH^L VFHQFL^L ULYHUV^L SODFH[¶] L 3HRSCH^L GROW^L ++ L WKH^L GROW^L
NQRZ[¶] L 6FRW[¶] L WKOW ZH[¶] L LQ^L 2NODKRPD[¶] L DWXDOO^L KDYH^L PRUH^L PLOHV^L RI^L IUHMK^L
ZDWHU^L VKRUHOLQH[¶] □ □

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&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HUI3DJH[¶] + RI^L

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, L ZRQGL DVNL WKHL VHODARUL VRL SCHDMH[¶] <<

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<HM[¶]

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< < < L VAVSHQGL KLV^L UHPDUNVL IRU^L D^L IHZ^L VHFROGV[¶] L PD\EH[¶] L 7KDNL \RX[¶] L 6HQDWRL^L, QRIH[¶]

,1+2)(L

7KH\ REYLRXVO\ L GROW^L OLNH^L VFQHFL^L ULYHUV[¶] L EXW^L ZH^L GR[¶] L LQ^L 2NODKRPD[¶]

\$Q\ZD\ \$ DGGWLRLQDOO\ L LQ^L + !! ¶ + * 2NODKRPD^L SDUQHJHG^L ZLWK^L WKH^L RAKHUL^L VWDWHM[¶] L 1HZ^L OH[LFR[¶] L &RORUDGR[¶] L .DQDV^L DQG^L 7H[DV[¶] L WR^L EULQJ^L WRJHWKHUL^L VWDWH^L RI IFLDOV[¶] L FRQHUYDWLRQ^L JURXSV[¶] L HCHUJ\ L DQG^L DJ^L LQGXWULHV[¶] L DQG^L RAKHUL^L SULYDWH^L ODQG^L RZQHUV[¶] L WR^L DGGUHW^L WKHL FKDOOHQJHV^L IDFLQJ^L RQH^L RI^L RXU^L ++ L RQH^L RI^L WKHL SUREOHPV^L WKDW^L ZH^L KOYH^L WKHUH[¶] L KOYLQJ^L WR^L GR^L ZLWK^L D[¶] L ZKDW^L PLJKW^L EHFRPH^L DL++ L DQ^L HQGDQJHJHG^L VSHFLHV[¶]

,W ZDV^L DQ^L HIIRUW^L WKDW^L VDZ^L VXFFHW^L LQ^L IWW^L ILLUW^L \HDU[¶] L 1RZ^L WKLV^L LV^L ZRUNLQ^L ZLWK^L IRXU^L ++ L IRXU^L GLIHHQW^L VWDWH[¶] L 'HMSLWH^L HQGRUWLQJ^L WKHL SODQ[¶] L WKHL)LVK^L DQG^L :LOGOLIH^L 6HJULFH^L PRYHG^L IRUZDUG^L ZLWK^L OLWLQJ^L WKHL VSHFLHV^L DV^L AKUHDWQHG[¶] L HQGDQJHULQJ^L WKHL FRRSHUDWLRQ^L UHDFKHG^L EHWAHQ^L WKHM^L YDU\LQJ^L LQWHUHW[¶]

6R^L \$MRUQH\ L *HQHUDO^L 6FRWW^L VXHG^L WKHL)LVK^L DQG^L :LOGOLIH^L 'HSUWPHQW^L IRU^L LJQRULQJ^L WKHL XQLTXH^L FRRSHUDALYH^L DJUHPHQW[¶] L DQG^L KHL ZRQ^L L +H L ZLQV[¶] L +H L ZLQV^L WKHM^L WKLQJV[¶] L <HM[¶] L DV^L DMWUQH^L JHQHUDO[¶] L WKHL ++ L 6FRWW^L 3UXLWW^L KDV^L IRXJKW^L WKHL (3\$[¶] L WKHL)LVK^L DQG^L :LOGOLIH^L 6HJULFH[¶] L WKHL RLO^L FRPSDQLHV[¶] L DQG^L WKHL RXW^L RI^L ++ L RXWRLQJ^L DGPLQLWLDWLRQ[¶] L RQ^L PDQ^{\¶} L IURQW[¶]

%XW^L DOO^L RI^L WKHM^L VXLWW^L ZHUH^L EURXJKW^L WR^L SURWHRW^L VWDWH^L DQG^L CRFDOL^L LQWHUHW[¶] LURP^L RYHU[¶]]HDORXV^L DQG^L DFVLYLWW^L H[HFXALYH^L DJHQFLHV[¶] L 2YHU^L WKHL CDW^L HLJKW^L \HDU[¶] L WKHL 2EDPD^L DGPLQLWLDWLRQ^L KDV^L DGYDQFHG^L D^L UDGLFDO^L HQYLURPHQWDO^L DJHQGD[¶] L KDV^L H[KLEWHG^L D^L GHIS^L GLWLUXXW^L RI^L VWDWH^L JRYHJOPHQW^L DQG^L SULYDWH^L ODQG^L RZQHUV[¶] L DQG^L KDV^L ZRUNHG^L WR^L REWLUXXW^L WKHL IRWLO^L IXO^L LQGXWULHV^L DQG^L DJULFXQW^L SURGXFW[¶] L WKHL PRWW^L DUGHQW^L SURWHRARU^L RI^L WKHL HQYLURPHQW[¶]

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +HUI3DJH[¶] + RI^L

7KHM^L DUH^L LQGXWULHV^L DQG^L LQHULHWV^L WKDW^L 2NOKRPL^L UHOLHV^L RQ^L \$QG^L IDU^L TURPL^L
EHLQJ^L DQ^L HQHP\ L RI^L WKH^L HQYLURQPHQW^L 6FRWW^L KDV^L SURYHQ^L KLPVHOI^L WR^L EH^L DQ^L
H[SHUW^L DW^L EDDQFLQJ^L HFRQRPLFL^L JURZAK^L ZLWK^L HQYLURQPHQDOL^L VXSHU^L ++ L
WHZDUGVLS[¶]

6R^L , L EHOLHYH^L WKDW^L \$WRUGHV^L *HQHUDO^L 3UXLW^L ZLOO^L UHAXUQL^L WKH^L (QYLURQPHQDOL^L
3URWHLRQL^L \$JHQF\ L WR^L LWL SURSHU^L URCH^L DV^L WHZDUG^L IRU^L WKH^L HQYLURQPHQW^L L
DFWLQJ^L ZLWLQ^L WKH^L ERXQGV^L SUHMULEHG^L E\ L &RQJUHW^L DQG^L WKH^L &RQW\WWALRQ[¶]

7KDN^L \RX[¶] L OU[¶] L &KOLUPDQ[¶]

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7KDN^L \RX[¶] L 6HQDWRL^L ,QRIH[¶]

6HQDWRL^L /DQNIRUG[¶]

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&KOLUPDQ^L %DUDWR[¶] L WKDN^L \RX[¶] L 5DQNLQJ^L OHPEHUL^L &DUSHU[¶] L PHPEHUV^L RI^L
AKH^L FRPPLWHL[¶] L WKDN^L \RX^L IRU^L DOORZLQJ^L PH^L WR^L EH^L DEOH^L WR^L EH^L KHUL^L WRGD\[¶] L WR^L
LQWURGXFH^L P^L IHOORZ^L 2NOKRPL[¶] L DQG^L IRU^L 6HQDWRL^L ,QRIH^L DQG^L, L WR^L ERWK^L EH^L
DEOH^L WR^L WDQG^L ZLWK^L KLP[¶] L DQG^L WR^L EH^L DEOH^L WR^L LQWURGXFH^L ZKR^L ZH^L EHOLHYH^L ZLOO^L
EH^L DL WUHPHQGRXVL^L QRPLQH^L IRU^L WKH[¶] L DV^L DGPLQLWUDARUL^L IRU^L WKH^L
(QYLURQPHQDOL^L 3URWHLRQL^L \$JHQF\ L ,W^L DQ^L KRGRU^L WR^L VSHDN^L LQ^L VXSSRUW^L RI^L
\$WRUGHV^L *HQHUDO^L 3UXLW^L WRGD\[¶]

2YHU^L WKH^L SDWW^L VL^L \HDU[¶] L 6FRWW^L KDV^L EH^L D^L CHDGHU^L LQ^L WKH^L 6ADWHL^L RI^L
2NOKRPL[¶] L WLRQJO\ L FRPPLWHL^L WR^L HQIRUFLQJ^L WKH^L CDZ^L DQG^L DGKHULQJ^L WR^L WKH^L
&RQW\WWALRQ[¶] L +HV^L D^L WDWHMPDQ[¶] L +HV^L D^L GHGLFDWHL^L SXEOLF^L VHUYDQW^L L \$V^L WKH^L
DGPLQLWUDARUL^L RI^L WKH^L (3\$^L, L ZRXQG^L IXOO^L H[SHUW^L 6FRWW^L WR^L CHDGL^L WKH^L DJHQF\ L WR^L
IROORZ^L HYHU^L HQYLURQPHQDOL^L CDZ[¶] L DQG^L WR^L SDWQHUL^L ZLWK^L WDWHM[¶] L ORFDOL^L
DXWKRULWHL[¶] L DQG^L WULEHM[¶] L WR^L GR^L ZKDW^L EHWW^L IRU^L RXUL^L SUHMHQW^L DQG^L IRU^L RXUL^L
IXWUH[¶]

\$V^L DMRUGHV^L JHQHUDO^L RI^L 2NOKRPL[¶] L KH^L WARRGL^L VRXOGHU^L WR^L VRXOGHU^L ZLWK^L
PRUH^L WKDQ^L KDOI^L RI^L WKH^L WDWHM[¶] L WR^L HQXJH^L WKH^L IHHUDO^L JRYHUGPHQW^L RSHUDWHL^L
ZLWLQ^L WKH^L ERXQGV^L RI^L WKH^L WDWHM^L DQG^L WKH^L &RQW\WWALRQ[¶] L +HV^L DUJXHG^L
FRQMLWHLQDOL^L WKDW^L PDQ^L UHJXODALRQV^L WKDW^L WKH^L (3\$^L SURPXOJDWHL^L DUH[¶] L LQ^L IDR[¶] L
AKH^L UHSRQVLELOWLHV^L RI^L WDWH^L JRYHUGPHQW[¶] L ILUW[¶]

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HUI3DJH[¶] + RI^L

,Q^L DQ^L HQYLURQPHQW^L ZKHUH^L &KHYURQ^L GHIIHUHQFH^L LV^L SUHFHQW^L LW^L LV^L FULWLFDOL^L
AKDW^L WKH^L CHDGHU^L RI^L DQ^L DJHOF^L KDV^L ++ L WKDW^L KDV^L VXFKL^L ZLGH^L ODWWXGH^L WR^L HMUDRW^L
FRWW^L IURPL^L WKH^L HFRQRPL^L DOVR^L UHMSHFWL^L WKH^L LPSRUWDQFH^L RI^L RXU^L IHGHUDOLW^L
IRXQGDWLQ^L DQG^L WKH^L SRFHERRNL^L RI^L KDU^L ZRUNLQJ^L IDPLOLHV^L

,Q^L SUHYLRXV^L FRQJUHMLRQDOL^L WHWALPRQ^L 6FRWW^L KDV^L HPSKOM^L JHG^L WKH^L
LPSRUWDQFH^L RI^L ODZV^L OLNH^L WKH^L &CHDQ^L \$LU^L \$F^L WLHHLQJ^L WKDW^L LW^L ++ L WLHHLQJ^L
AKDW^L WKH^L LQWHDWLQ^L ZDV^L IRU^L WWDHW^L DQG^L WKH^L (3\$^L WR^L ZRUN^L WRJHWHU^L XQGHU^L DL^L
PRGHO^L RI^L FRRSHUDALYH^L IHGHUDOLVP^L WKDW^L SURWHRW^L WKH^L HQYLURQPHQW^L ZKLOH^L
FRQMLGHULQJ^L HFRQRPLF^L FRWW^L

\$VL DMWRQH^L JHQHUDO^L 3UXLW^L ++ L DV^L DMWRQH^L JHQHUDO^L 6FRWW^L KDV^L EH^L DQ^L
DUGHQW^L GHIIHQGHU^L RI^L WKH^L UXOH^L RI^L ODZ^L IRU^L 2NODKRPDQ^L ,Q^L ++ !! ¶ ++ L KH^L VXHG^L
%ULWV^L 3HULRQHXP^L DUJXLQJ^L WKDW^L WKH^L NQRZLQJO^L GRXECHG^L GLSSHG^L L WKURXJK^L
AKH^L FROCHWLRLQ^L RI^L IXQG^L L WKURXJK^L DL^L FCHDQXS^L IXQG^L L GHMSLWH^L KOYLQJ^L
LQWHDQFH^L FRYHJDJH^L IRU^L HQYLURQPHQWDO^L FCHDQXS^L L +H^L GLG^L CRW^L KHMUDWH^L WR^L
WWDQG^L XS^L IRU^L KLV^L FRQWILWHDWL^L DQG^L IRU^L KLV^L WWDHW^L

OLNH^L 7XUSHQ^L LV^L WKH^L IRUPHUL^L DMWRQH^L JHQHUDO^L RI^L WKH^L 6ADWHL^L RI^L 2NODKRPDQ^L L
DQG^L WKH^L IRUPHUL^L FKOLLUPDQL^L RI^L WKH^L 2NODKRPD^L 'HPRFDWLF^L 3DUW^L L +H^L VSRNH^L
RXW^L LQ^L PLG^L 'H^L PHEHU^L ZKHQ^L 6FRWW^L ZDV^L ILLUW^L DQQRXOFHG^L L /HW^L PH^L MKW^L UHDG^L
DL^L VKRUW^L SRUWLQ^L RI^L KLV^L YHU^L ORQJ^L WWDWPHQW^L LQ^L VXSSRUW^L RI^L 6FRWW^L 3UXLW^L

)RUPHUL^L \$MRUQH^L *HQHUDO^L OLNH^L 7XUSHQ^L L DQG^L RXU^L IRUPHUL^L 'HPRFDWLF^L 3DUW^L
&KOLUPDQL^L VDLG^L L 2NODKRPD^L \$MRUQH^L *HQHUDO^L 6FRWW^L 3UXLW^L LV^L D^L JRRG^L
FKRLFH^L WR^L KHDL^L XS^L WKH^L (QYLURQPHQWDO^L 3URWHLRQ^L \$JHOF^L ,PL^L FROMLQFHG^L
6FRWW^L 3UXLW^L ZLOO^L ZRUN^L WR^L SURWHRW^L RXU^L QDWKUD^L KDELWDAW^L L UHMUYHV^L DQG^L
UHMRXUFHV^L L +LV^L YLVLRLQ^L IRU^L DL^L SURSHUL^L UHODWLQKLS^L EH^L ZH^L QL^L SURWHLRQ^L DQG^L
SURVSHULM^L PDNHV^L KLP^L DL^L VXSHUEO^L TXDOL^L LHG^L WR^L VHUYH^L DV^L RXU^L GHW^L (3\$^L
DGPLQLWLDWRU^L |

6FRWW^L LV^L DQ^L DFLYH^L PHEHU^L L DQG^L D^L GHDFRQL^L DW^L KLV^L FKXUFK^L L)LUW^L %DSALW^L
&KXUFK^L %URNH^L \$URZ^L DL^L FRQJUHJDWLQ^L RI^L DOPRW^L ++ !! !! !! L SHRSOH^L L +H^L
LQFHGLEO^L WWRQ^L LQ^L KLV^L IDW^L L DQG^L KH^L WULYHV^L WR^L ZDOL^L LQ^L LQHJULW^L L 6FRWW^L DL^L
VHULRXV^L EDWEDOO^L IDQ^L DV^L ZHOU^L ,L^L \RX^L UXQ^L RXW^L RI^L HQYLURQPHQWDO^L RU^L CHDOL^L
TXHMLRQ^L WRGD^L ZKLFK^L ,L^L GRXBW^L \RX^L ZLOO^L L EXW^L L^L \RX^L UXQ^L RXW^L L ZK^L GRQW^L \RX^L
DV^L KLP^L DL^L FRXSCH^L RI^L TXHMLRQ^L DERXW^L EDWEDOO^L WUDWHAJ^L L DQG^L VSULQJ^L
AUDLQLQ^L L ZKLFK^L WUDWHAJ^L LQ^L MKW^L DL^L IHZ^L ZHNV^L

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HUI3DJH[¶] ↑ RI ↑

, L KDH^L WR^L WKDN^L \RX[¶] L 6FRWWL DL TULHQG[¶] L , YH^L SUD\HG^L ZWK^L 6FRWW^L , YH^L VHQL^L 6FRWW^L WAWXJJCH^L ZWK^L KDUG^L GHFLVLRQV^L WKDW^L DI IHRW^L RXU^L WDWHV^L IXWUH[¶] L , YH^L VHQL^L 6FRWW^L OLWHQ^L WR^L SHRSO[¶] L WR^L WU^L WR^L CHDUQL DQDL VLGHV^L RI^L DQ^L LWXH[¶] L DQG^L , YH^L VHQL^L 6FRWW^L ADNH^L GLTILFXOW^L WDWQV^L RQ^L PDWUV^L RI^L ODZ[¶]

, L WKLQN^L KHDL^L EH^L DQ^L H[F]HOOHQW^L GPLQLWUDWRU^L IRU^L WKH^L (3\$[¶] L \$QG^L , L WKLQN^L KHDL^L GR^L YH^L ZHDL^L WRGD[¶] L LQ^L JHWLQJ^L DL FKDQFH^L VR^L EULQJ^L \RX^L WKH^L FRQILGHQFH^L WKDW^L KH^L ZLQD^L ZRUN^L KDUG^L IRU^L RXU^L QDWLRQV^L SUHMHV[¶] L DQG^L IRU^L WKH^L IXWUH[¶]

7KDN^L \RX[¶] L OU[¶] L &KOLUPDQ[¶]

%\$55\$662 L

:HDL WKDQN^L \RX^L VR^L YH^L PFK[¶] L 6HQDWRU^L /DQNIUG[¶] L DQG^L 6HQDWRU^L ,QRIH[¶] L 6HQDWRU^L /DQNIUG[¶] L \RXUH^L ZHDFRPH^L VR^L WDV[¶] L EXW^L \RX^L FDQW^L WDV^L LQ^L WKDW^L VHDW^L 6R[¶] □ □

/\$.)25' L

\RX^L JRV^L W[¶]

%\$55\$662 L

1RZ^L , L ZRQG^L OLN^L WR^L ZHDFRPH^L \$MRUQH[¶] L *HQHDO^L 3UXLWW^L VR^L WKH^L 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH[¶]

:HDFRPH[¶] L , L LQMLWH^L \RX^L VR^L TLUW^L LQWURGXFL^L \RXU^L IDPLO[¶] L DQG^L WKH^L SURFHG^L ZWK^L \RXU^L WDWPHQW^L &RQJUDWUDWRQ[¶] L DQG^L ZHDFRPH[¶]

358,77 L

*RRG^L PRUQLQJ[¶] L &KOLUPDQ^L %DUDWR[¶] L 5DQNLQJ^L OHPEHUL^L &DUSHU[¶] L PHPEHUV^L RI^L WKH^L FRPPLWTH[¶] L ,W^L LV^L DQ^L KRQRU^L DQG^L DL SULYLOHJH^L VR^L EH^L EHRIUH^L \RX^L WRGD[¶] L AR^L EH^L FRQVLGHUHG^L IRU^L WKH^L SRVWLQ^L RI^L (3\$^L GPLQLWUDWRU[¶]

, L TLUW^L ZDQW^L VR^L VD^L WKDN^L \RX^L VR^L 6HQDWRU^L ,QRIH^L DQG^L /DQNIUG^L IRU^L WKHU^L RSHQLQJ^L FRPPLWTH[¶] L 6HQDWRU^L ,QRIH^L KDL^L EHQL^L DL PHQRU^L DQG^L DL TULHQG^L VR^L PH[¶] L PDQ[¶] L PDQ^L \HDU[¶] L \$QG^L KHV^L VSHQW^L DL CRW^L RI^L WLPH^L WKURXJK^L ++ L ZWK^L PH^L WKURXJK^L WLKV^L SURFH[¶] L LQWURGXFLQJ^L PH^L VR^L PDQ^L RI^L \RX[¶] L \$QG^L , L UHDQ[¶] L DSSUHFLOWH^L KLVL JXLGQFH^L DQG^L KLVL KHD[¶] L 6HQDWRU^L /DQNIUG^L ZDV^L DL TULHQG^L ZHDL^L EHRIUH^L KH^L HQHJHGL^L &RQJUHW[¶] L DQG^L KHV^L DOUDG^L VHJYLQJ^L 2NODKRPD^L DQG^L KLVL FRQWNU^L ZWK^L JUHDW^L GLWALQFWLRQ[¶]

KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHLRQDOWDQWULSAW "¶" ↑ SULQWWUXH ¶ + !!

&4 FRP 6HQDWL (QYLURQPHQW DQGL 3XEOLF :RUNV &RPLLWHL +ROGV +HUI3DJH ¶ RI

OU L &KOLUPDQX L \RXL LGGLFDWHL WR L QWURGXFL P\ L IDPO\ L , L DPL ECHWHL WRGD\ L
ARL KOYH L P\ L IDPO\ L LQL DMHQGDQFH L ZIWK L PH L O\ L ZLIH\ L ODU\Q L RI L + L \HDU\ L
LV L LQL DMHQGDQFH L DORQJ L ZIWK L P\ L FKLOGUHQ L OF.HQDL DQGL &DGH L 7KHUHV L DL
OMWH L FKDQJH L JRLQJ L RQ L LQ L WKHLU L OLIH\ L DV L ZHOQ

OF.HQDL LV L DAWDOO\ L JUDGOWLQJ L TURPL 2NODKRPDL 8QLYHUVW L WKLV L VSULQJ\ L
DQGL KHDGLQJ L QWRL 6HQDWU L :KWHKRXHV L DOPD L PDWHLU\ L WKHL 8QLYHUVW L RI L
9LWLQD L ODZ L VFKRRO\ L \$QGL P\ L VRQ L LV L JRLQJ L WR L EH L JUDGOWLQJ L KLJK L VFKRRO\ L
DQGL KHDGLQJ L WR L 2NODKRPDL 8QLYHUVW\ L IROORZLQJ L KLVL VLWHLUV L IRRWWHSV\ L WR L
EH L DL %RRPHU L 6RQHJ

6R L WKHLHV L CRW L RI L FKDQJH L JRLQJ L RQ L LQ L WKHLU L OLYHM\ L CRW L RI L FKDQJH L JRLQJ L RQ L
LQ L P\ L IDPOLOV L OLIH\ L DQGL CRW L RI L FKDQJH L JRLQJ L RQ L LQ L WKHL FRXQWU\ L \$QGL , L WKLN L
AKHL SHRSOH L RI L WKLV L FRXQWU L DUH L UHDOO\ L KXQJU\ L IRU L VRPH L FKDQJH L \$QGL ZIWK L
FKDQJH L FRPHV L DQ L RSSRUWQW L IRU L JURZK\ L DQ L RSSRUWQW L WR L DWHW L KRZ L
ZH L FDQ L UHSULRUWJH\ L DV L DL QDWLRQ

\$QGL ZKHQ L , L SRQHJ L CHDGLQJ L WKHL (3\\$ L , L JHW H[FLWHL DERXW WKHL JUHDW ZRUN L
ARL EH L GRQH L LQ L EHKOOL RI L RXU L QDWLRQ\ L LQ L SURWHLQJ L WKHL WHZDUGV L + L LQ L EHLOJ L
DL JRRG L WHZDUG L RI L WKHL QDWKUDOL UHMRXUFHV L ZH L KOYH L DV L DL QDWLRQ\ L :KDW
FRXOG L EH L PRUH L LPSRUWDQW WKDQ L SURWHLQJ L RXU L QDWLRQ\ L ZDWHU\ L LPSURYLOJ L
RXU L DLU\ L DQGL PDQDJLQJ L WKHL ODQG L WKDW ZMH L EH Q L ECHWHL ZIWK L DV L DL
QDWLRQ\ L DOO L WKHL ZKLOH L SURWHLQJ L WKHL KHDKW L DQGL ZHODUH L RI L RXU L SHRSOH"

6R L LI L FRQILUPHG\ L , L ZRXOG L CHDGL WKHL (3\\$ L ZIWK L WKHL IROORZLQJ L SUQFLSCHV L LQ L
PLQG\ L)LUW\ L ZH L PXW L UHMHW\ L DV L DL QDWLRQ\ L WKHL IDOMH L SDUDGLJP\ L WKDW L LI L \RXU L
SURF HQHW\ L \RXU L QDW L HQYLURQPHQW\ L DQGL LI L \RXU L SURF HQYLURQPHQW\ L
\RXU L QDW L HQHW\ L , L XWHLQ\ L UHMHW\ WKDW QDW DALYH

,Q L WKLV L QDWLRQ\ L ZH L FDQ L JURZ L RXU L HFRQRPV\ L KOYHWW WKHL UHMRXUFHV L *RG L
KDW L ECHWHL XV L ZIWK L ZKLOH L DOVR L EHLOJ L JRRG L WHZDUGV L RI L WKHL DLU\ L ODQG L DQGL
ZDWHU L E\ L ZKLFK L ZMH L EH Q L IDYRUHG\ L ,W L L CRW DQ L HWHUJ L RU L SURSRVWLRQ

1HW\ L ZH L VKRXOG L FHOHEUDWHL WKHL JUHDW SURJUHW L ZMH L PDGH L DV L DL QDWLRQ L
VLOPH L WKHL LQFLSALRQ L RI L WKHL (3\\$ L DQGL WKHL ODZ L WKDW KOYH L EH Q L SDWHL E\ L
AKLV L ERG\ L EXW UHFRJQLJH L WKDW ZH L KOYH L PXFK L ZRUN L WR L CR

7KLUG\ L UXOH L RI L ODZ L PDWHLU\ L 3URFH W L PDWHLU\ L ,W L QVSLUHV L FRQILGHQFH L LQ L
AKRVH L WKDW DUH L UHJXODW\ L 7KH L ODZ L LVL WDWLF\ L CRW WLDQMLHQW\ L 5HJXODWUV L DUH L
VXSSRMHG L WR L PDNH L WKLQJV L UHJXODU\ L WR L IDLU\ L DQGL HTXLVIDEO\ L HQIRUFH L WKHL
UXCHM\ L DQGL CRW SLPN L ZLQQHV L DQGL CRWHV

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L +HUI3DJH^H + RI^L

\$^L UHJXODARU^L VKRXOG^L GRW^L EH^L IRU^L RU^L DJDLQW^L DQ^L VHW^L RI^L RXU^L HFRQRPV^L
,QWHDG[‡] L DL UHJXODARU^L RXJKW^L WR^L IROORZ^L WK^L ODZ^L LQ^L VHWLQJ^L XS^L WK^L UXCHM[‡] L VR^L
AKOW^L WKR^H^L ZKR^L DUH^L UHJXODWHG^L FDQ^L SODQ[‡] L DOORFDWH^L UHMRXUFHV^L WR^L PHW^L WK^L
WADQGDUG[‡] L YHUVX^L RSHUDALQJ^L LQ^L DL WADWH^L RI^L XQFHJUNDQW^L DQG^L GXUHW^L

)RXUWK[‡] L IHGHUDOLVP^L PDWHU^V^L ,W^L PDWHU^L EHFDXH^L &RQJUHW^L VD\W^L VR[‡] L DQG^L
EHFDXH^L ZH^L QHG^L LW^L WR^L DFKLHYH^L JRRG^L RXA^{RPHV^L} DV^L DL QDWLRQ^L IRU^L DLU^L DQG^L
ZDWHU^L TXDOLW^L :H^L QHG^L WK^L SDUWCHW^L RI^L WK^L WADWH^L WR^L DFKLHYH^L WK^L ,W^L LV^L
RXU^L WADWH^L UHJXODARU^L ZKR^L RMWQALPHV^L EHWW^L XQGHUW^L DQG^L WK^L CRFDO^L QHG^L
DQG^L WK^L XQLTXHCHW^L RI^L RXU^L HQYLURQPHQWDO^L FDQOCHQJHV^L 30X[‡] L RXU^L WADWH^L
UHJXODARU^L SRWHW^L WK^L UHMRXUFHV^L DQG^L H[SHUWLHV^L WR^L HQIRUH^L RXU^L
HQYLURQPHQWDO^L ODZV^L

)LMK[‡] L SXEOLF^L SDUWFLSDWLRQ^L LV^L NH^L :H^L QHG^L WR^L KHDU^L DOO^L YRLFH[‡] L DV^L ZH^L PDNH^L
GHFLVLRQV^L LQ^L EHKOI^L RI^L RXU^L FRXQWU[‡] L ZW^L UHMSHW^L WR^L HQYLURQPHQWDO^L ODZV^L

7ZR^L ILQDOLWKLQJ[‡] L SHURQDOO^V^L ,L VHN^L WR^L EH^L D^L JRRG^L OLW^HQHU[‡] L WR^L OLW^HQ[‡] L DQG^L WR^L
CHDG[‡] L <RX^L FDQW^L GR^L RQH^L ZW^LKR^L WK^L RAKHU[‡] L /LW^HQ^L WR^L WKR^H^L FDUH^L WDI^L ◀◀◀

♂ 3527(67(5)

/LW^HQ^L WR^L WKR^H^L FDUH^L WDI^L L DW^L WK^L (3\$[‡] L DV^L ,YH^L GRH^L DV^L DMRLQH^V^L JHQHUDO^L
RI^L 2NODKRPD[‡] L DQG^L OLW^HQ^L WR^L \RX^L KHUH^L LQ^L &RQJUHW[‡] L ZW^L UHMSHW^L WR^L WK^L
QHG^L RI^L \RXU^L UHMSHWLYH^L WADWH[‡] L DQG^L OLW^HQ^L WR^L WK^L YRLFH^L RI^L DOO^L \$PHULFDQ[‡] L
DV^L ZH^L VHN^L WR^L FDW^L RXU^L GWHV^L XQHUL^L WK^L ODZ^L

/DW[‡] L DQG^L WKLV^L LV^L YH^L LPSRUWDQ[‡] L ,L VHN^L WR^L VHYH^L ZW^L VHUYLOW^L L
2MWHQALPHM[‡] L DV^L SROLF[†] PDNHU[‡] L \RX^L GHOL^L ZW^L YH^L FROHQA^L RXV^L LW^HXH^V^L L ,L
KDYH[‡] L DV^L DMRLQH^V^L JHQHUDO^L RI^L 2NODKRPD[‡] L DV^L ZHOO^L :H^L GHOL^L ZW^L ZHLJKW^L
LW^HXH[‡] L DQG^L WKHUH^L DUH^L ++ L WKHUHV^L SDWLRQ^L RQ^L ERWK^L VLGHV^L RI^L LW^HXH^V^L

%W^L ZH^L VKRXOG^L GRW^L VAXXP^E L WR^L SHURQDOL^L]LQ^L PDWHU^V^L :H^L VKRXOG^L
HQFRXUDJH^L RSHQ^L DQG^L FLYLO^L GLVFRXUMH^V^L 2QH^L VXF^L LW^HXH^L ZKHUH^L FLYLO^L
GLVFRXUMH^L LV^L DEVHQW[‡] L LQYROYHV^L FOLPDWH^L FKDQJH^V^L /HW^L PH^L VD\W^L WR^L \RX[‡] L
VFLHQFH^L WHOOV^L XV^L WK^L WK^L FOLPDWH^L LV^L FKDQJLQJ[‡] L DQG^L WK^L KXPDQ^L DFVLYLW[‡] L LQ^L
VRPH^L PDQQHU[‡] L PSDRAW^L WK^L FKDQJH^V^L

7KH^L DEOLW^L WR^L PHDXUH[‡] L ZW^L SUHFLVLRQ[‡] L WK^L GHJUH^L DQG^L HWHQW^L RI^L WK^L
LPSDFW[‡] L DQG^L ZK^L WR^L GR^L DERXW^L LW[‡] L DUH^L VXEHW^L WR^L FROLOXLQJ^L GHEDWH^L DQG^L
GLDORJXH[‡] L DQG^L ZHOO^L LW^L VKRXOG^L EH^L 6R^L ZW^L WKH^L SULQFLSCHV^L LQ^L PLQ[‡] L ,L VHN^L
AR^L DQVZHU^L \RXU^L TXHMLRQV^L WRGD[‡] L DQG^L ,L DP^L KRGRUHG^L WR^L EH^L KHUH^L WRGD^L WR^L
EH^L FROMLGHUHG^L IRU^L WK^L SRWLRQ^L RI^L (3\$^L DGPLQLWLDARU^L

KWS ↑↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLRQDQW^L DQG^L FULSW^{"¶} L SULQW^VW^H ¶+!!

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +HUI3DJH[¶] + RI^L

7KDN^L \RX[¶] L OU[¶] L &KDLUPDQ[¶]

%\$55\$662 L

:HOD^L WKDN^L \RX^L YHU^L PXFK[¶] L :HOPRH[¶] L WR^L \RXU^L IDPLO[¶] L DQG^L WKDN^L \RX[¶] L DQG^L FRQJUDAKODALRQV^L DJDLQ[¶]

\$MRUGH^L *HQHDO^L 3UXWW[¶] L \RXMH^L DQVZHUHG^L WKH^L FRPPLWHL^L TXHVALRQDLLUH[¶] L
7KH^L 8QLWHG^L 6WDWHV^L 211LFH^L RI^L *RYHUQPHQW^L (WKLFW^L KDV^L VWDWHG^L WKD^L \RX^L DUH[¶] L
TXRW[¶] L | LQ^L FRPSOLDQFH^L ZLWK^L DSSOLFDEOH^L ODZV^L DQG^L UHJXODALRQV^L JRYHUQLQJ^L
FRQIOLFW^L RI^L LQHJUHW[¶] |

1RZ[¶] L \RX^L NQRZ[¶] L WKURXJKRW^L WKLV^L KHDLQJ[¶] L DQG^L ZLWK^L WKH^L TXHVALRQV^L IRU^L WKH^L
UHFRUG[¶] L RXU^L FRPPLWHL^L PHPEHUV^L ZLOO^L KOYH^L DQ^L RSSRUWKQW^L WR^L CHDUQ^L PRUH^L
DERXW^L \RXU^L FRPPLWPHQW^L WR^L SXEOLF^L VHJDQW^L DQG^L RXU^L QDWLRQ[¶] L , L ZRXOG^L DVN^L
WKD^L L WKURXJKRW^L WKLV^L KHDLQJ[¶] L \RX^L SOHDVH^L UHMSQGL^L WR^L WKH^L TXHVALRQ[¶] L IRU^L
WKH^L UHFRUG[¶]

:LWK^L WKD^L VDLG[¶] L , L KOYH^L WR^L DVN^L WKH^L IROORZLQJ^L TXHVALRQV^L WKD^L ZH^L DVN^L RI^L DQO^L
QRPLQHV^L RQ^L EHKOI^L RI^L WKH^L FRPPLWHL[¶] L 'R^L \RX^L DJUH[¶] L L L FRQILUPHG[¶] L WR^L
DSSHU^L EHIRUH^L WKLV^L FRPPLWHL^L RUL^L GHMLQDWG^L PHPEHUV^L RI^L WKLV^L FRPPLWHL[¶] L
DQG^L RAKHU^L DSSURSULDW^L FRPPLWHL^L RI^L WKH^L &RQJUHW[¶] L DQG^L SURYLGH^L
LQIRUPDWLRQ[¶] L VXEHW^L WR^L DSSURSULDW^L DQG^L QHFWDU^L VHFUXUW^L SURHVALRQ[¶] L
ZLWK^L UHSHFW^L WR^L \RXU^L UHMSQMLEOLWLHV["]

358,77 L

4M[¶] L OU[¶] L &KDLUPDQ[¶]

%\$55\$662 L

'R^L \RX^L DJUH^L WR^L HQXUH^L WKD^L WHWALPRQ[¶] L EULHILQJV[¶] L GRFXPHQW^L DQG^L
HOHFWRLF^L DQG^L RAKHU^L IRUPV^L RI^L LQIRUPDWLRQ^L DUH^L SURYLGH^L WR^L WKLV^L FRPPLWHL^L
DQG^L LWW^L VNDIT[¶] L DQG^L RAKHU^L DSSURSULDW^L FRPPLWHL[¶] L LQ^L DLWLPHO^L PDQQHU["]

358,77 L

4M[¶] L OU[¶] L &KDLUPDQ[¶]

%\$55\$662 L

&4 FRP[†] 6HQDWH^L (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L +HUI3DJH[¶] L RI^L

\$QGL GR^L \RX^L NQRZ^L RI^L DQ^L PDW^HUV[¶] L ZKLFK^L \RX^L PD^L RU^L PD^L CRW^L KOYH^L
GLVFORMHG[¶] L WKDW^L PLJKW^L SODFH^L \RX^L LQ^L DQ^L FRQIOLFW^L RI^L LQWLUHW^L LI^L \RX^L DUH^L
FRQILUPHG["]

358,77 L

1R[¶] L &KOLUPDQ[¶]

%\$55\$662 L

7KDNL^L \RX[¶] -XW^L D^L FRXSCH^L RI^L TXLFN^L TXHMLRQV^L EHIRUH^L ZH^L JR^L EDFN^L DQG^L
IRUWK[¶] L ,GL MXW^L DMN^L LI^L \RX^L FRXOG^L MXW^L SODVMH^L GHMFULEH^L \RXU^L HQYLURPHQW^{ODO}
SKLORRSK[¶] L RI^L ZKDW^L \RX^L ZRXOG^L GR^L WR^L SURWHRW^L RXU^L HQYLURPHQW[¶]

358,77 L

:HOO[¶] L OU[¶] L &KOLUPDQ[¶] L DV^L , L QGLFDW^HG^L LQ^L P\ L RSHQLQJ^L WDW^HPHQW[¶] L , L EHOLHYH^L
WKDW^L UROH^L RI^L D^L UHJXODWRU^L ++ L DQG^L WKLVL^L PD^L CRW^L VRXQG^L WRR^L H[FLWLQJ[¶] L EXW^L LV^L
AR^L PDNH^L WKLQJV^L UHJXODU[¶] L \$QG^L , L WKLQJ[¶] L RQH^L RI^L WKH^L ++ L WKH^L GLTILFXOW^L FKDOOHQJHV^L
ZH^L VHO[¶] L ZIWK^L LQGLYLGDOV^L DFURW^L WKH^L FRXQNU[¶] L LV^L WKH^L DELOLW^L ++ L WKH^L LODELOLW^L
AR^L SUHGLFW[¶] L RU^L NQRZ^L ZKDW^L H[SHW^HGL RI^L WKH[¶] L DV^L IDU^L DV^L WKH^L REOLJDWLRQV^L
XQGHU^L RXU^L HQYLURPHQW^{ODO} L ODZ[¶]

\$QG^L ++ L DQG^L , L UHDOO^L EHOLHYH[¶] L OU[¶] L &KOLUPDQ[¶] L WKDW^L LI^L FRQILUPHG^L DV^L (3\$^L
DGPLQLWUDARU[¶] L WKLVL SXEOLF^L SDUWFLSDWLRQ[¶] L FRRSHUDALYH^L IHGHUDOLVP[¶] L UXCH^L RI^L
ODZ^L EHLOJ^L WKH^L IRFXV^L RI^L KRZ^L ZH^L GR^L EXVLGHM^L DV^L WKH^L (3\$[¶] L LV^L FHQWHL^L WR^L
UHWARULQJ^L FRQILGHQFH^L DQG^L FHJWDLQW^L LQ^L WKRVH^L WKDW^L DUH^L UHJXODWHG[¶]

&HDUDOV[¶] L WKH^L PLWLRQ^L RI^L WKH^L (3\$[¶] L DV^L , L QGLFDW^HG^L LQ^L P\ L RSHQLQJ^L WDW^HPHQW[¶] L
AR^L SURWHRW^L RXU^L QDWKDO^L UHMRXUFH[¶] L SURWHRULQJ^L RXU^L ZDWHU^L TXDOLW[¶] L LPSURYLQJ^L
RXU^L DLU[¶] L KHDSLQJ^L SURWHRW^L WKH^L KHDWK^L DQG^L ZHODUH^L RI^L RXU^L FLWLJHQ[¶] L LV^L NH^L WR^L
WKH^L CHDGHUWLS^L RI^L WKH^L (3\$[¶] L DQG^L ZKHUH^L HQIRUFHPHQW^L LV^L QHFWDU[¶] L D^L
YLJRURXV^L HQIRUFHPHQW[¶]

,YH^L GRQH^L WKDW^L DV^L DMRUQH[¶] L JHQHUDO^L LQ^L 2NODKRPD[¶] L ,YH^L WDNHQ^L YHU^L
FRQWUXFALYH^L WHSV^L DJDLQW^L WKRVH^L WKDW^L KOYH^L YLRODWHG^L WKH^L ODZ[¶] L %XW^L ZH^L KOYH^L
GRQH^L VR[¶] L , L WKLQJ[¶] L LQ^L D^L YHU^L GHFLVLYH^L DQG^L ++ L DQG^L PHDQLQJIXOL^L ZD[¶] L VR^L OU[¶] L
&KOLUPDQ[¶] L ZIWK^L WKDW^L LQ^L PLQG[¶]

%\$55\$662 L

KWS ↑ ↑ ZZZ[¶] FT[¶] FRP[†] GRF[†] FRQJUHWLRQDOWDQFULSW^{"¶} L SULQWWUXH ¶ + !!

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L +HUI3DJH^L ! RI

,PL JRLQJ^L WR^L DVN^L RCH^L RAKHUL TXHMLRQ[¶] L DQG^L WKH^L ,PL JRLQJ^L WR^L UHMUJH^L WKH^L + + L
AKH^L EDODQFH^L RI^L P^L WLPH^L IRU^L VRPH^L LQHUMHMLRQ^L DQG^L TXHMLRQ^L
AKURXJKRXW[¶] L %W- WKHUHV^L WAOOL^L DL QXPEHUL^L RI^L HQYLURQPHQDO^L SURECHPV^L WKDW^L ,
VHH^L LQ^L WKH^L FRXQWU^L DQG^L LQ^L P^L WDWK[¶]

&ROGV^L ZDU^L CHJDF\ L SROOXALRQ^L LV^L DL VHULRXL^L SURECHPV[¶] L ZKHUH^L FKPLFDOL^L
FRPSRXQGV^L DUH^L OHW^L GHHS^L LQ^L WKH^L VRLO[¶] L TURPL RXU^L PLOWDU\ L DWLYLM[¶] L \HDUV^L + + L
GHFDGHV^L DJR^L 2MHQ^L WKHUH^L DUH^L GRW^L WKH^L WRROV^L \HW- DYDLODEOH^L WR^L DGHTXDWHDOL^L
DGGUHW^L WKLV^L SROOXALRQ[¶] L , I^L FRQILUPHG[¶] L ZRXOG^L \RX^L DGYRFDWHL^L LQFHDMVLQJ^L WKH^L
(3\$V^L IRFXV^L RQ^L LQQRYDALYH^L WHFKQRORJLFDO^L VROXALRQV^L WR^L DGGUHW^L WKMH^L DQG^L
RAKHUL HQYLURQPHQDO^L SURECHPV"

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<H[¶] L OU[¶] L &KOLUPDQ[¶] L ,Q^L WKLVL⁺⁺ L WKLVL &RQJUHW[¶] L WKLVL SDWW^L &RQJUHW[¶] L DV^L \RX^L
LQGLFDWHL^L LQ^L \RXUL WDWHPHQW[¶] L DQG^L DV^L 6HQDWRL^L ,QKRIH^L UHFRJQLHG[¶] L ZLWK^L WKH^L
FKDQJHV^L WR^L WKH^L 76&\$^L ODZ[¶] L WKHUH^L DUH^L SULRUWLHV^L WKLVL \HDU[¶] L CHZ^L DXWRULM[¶] L
DWADOO[¶] L WKDW^L EHLQJ^L JLYHQ^L WR^L WKH^L (3\$^L DQPLQLWUDWRL[¶] L WR^L RUGHU^L WHWALQJ^L RQ^L
FHJNDLQ^L FKPLFDOL[¶]

\$V^L ,YH^L VSHQW^L WLPH^L ZLWK^L VRPH^L RI^L WKH^L PHPEHUV^L RQ^L WKLVL FRPPLW^H[¶] L
6HQDWRL^L *LOOLEUDQG[¶] L DV^L DQ^L H[DPSO[¶] L PHQMLRHG^L 3)2\$[¶] L DV^L D^L FRQFHQ[¶] L ZLWK^L
UHVSHFW^L WR^L WKH^L 6DIH^L 'ULQNLQJ^L :DWHU^L \$F[¶] L DORQJ^L ZLWK^L 76&\$[¶]

\$QG^L VR^L \H[¶] L OU[¶] L &KOLUPDQ[¶] L , L EHOHYH^L WKDW^L WKHUH^L DUH^L SULRUWLHV^L WKDW^L DUH^L NH^L
NR^L LPSURYLOQ^L RXU^L HQYLURQPHQW[¶] L TURPL &(5&/\$/^L WR^L 76&\$[¶] L DFURWL^L DLU^L
TXDOLM[¶] L ZLWK^L QRQ^L DWDLOPHQW^L WR^L DWDLOPHQW[¶] L DQG^L ZRXOG^L VHN^L WR^L IRFXV[¶] L DQG^L
SULRUWLJH^L WKRVH^L HI IRUW[¶]

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7KDQNL^L \RX[¶]

6HQDWRL^L &DUSHU[¶]

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OU[¶] L 3UXLW[¶] L \RX^L NQRZ[¶] L ZH^L GRW^L RMHQ^L KDYH^L WKH^L NLQG^L RI^L GLVUXSWLRQV^L LQ^L WKLVL
URRP[¶] L DQG^L LQ^L WKLVL EXLOGLQJ[¶] L WKDW^L ZDV^L ZLQHMLQJ^L KHUH^L WRQD\ L 7KLV^L LV^L
HMUDRUGQDU[¶] L ,WW^L GRW^L XOSUH\ CHQHG[¶] L EXW^L HMUDRUGQDU[¶]

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HUI3DJH^L ¶ RI ¶

\$QGL SHRSCH^L PLJKW^L DMN^L ZHOO^L ZK^L ++ L ZK^L DUH^L IRONV^L VR^L FRQFHUQHG^{"L} :HOO^L,OO^L
AHOO^L \RX^L ZK^L WKH^L VR^L FRQFHUQHG^{"L} \$QGL \RXOO^L KOYH^L WR^L JR^L EDAN^L WR^L ODUFK^L
+ UG^L XS^L LQ^L 'HAWLW^L OLFKLJDQ^L ZKHJH^L 3UHMLGHQW^L (CHFW^L WKHQ^L &DOGLGDWH^L
7UXPS^L 'RQDOG^L 7UXPS^L VDLG^L WKHM^L ZRUGV^L

| :HJH^L JRLQJ^L WR^L JHW^L ULG^L RI^L IW^L (3\$^L LQ^L DOPRW^L HYHU^L IRUP^L :HJH^L JRLQJ^L WR^L
KOYH^L OLWCH^L WLGEIW^L CHW^L EXW^L ZHJH^L JRLQJ^L WR^L WDNL^L D^L WUHPHQGRXV^L DPRXQW^L RXW^L |
7KDW^L ZKDW^L KH^L VDLG^L GXULQJ^L WKH^L 5HSXEOLFDQ^L SULPDU^L

\$QGL ZKDW^L GLG^L KH^L VD^L DMHUL^L WKH^L HQYLURQH^{"L} :HOO^L 1RYHPEHU^L ¶ !! WK^L)R[^L 1HZVL
ZIWK^L &KULVL^L :DOODFH^L KH^L VDLG^L | (QYLURQPHQWDO^L SURWHLRQ^L ZKDW^L WKH^L GR^L LV^L
D^L GLVJUDPH^L (YHU^L ZHN^L WKH^L FRPH^L RXW^L ZIWK^L QHZ^L UHJXODALRQ^L |

\$QGL WKHQ^L &KULVL^L :DOODFH^L DMHGL^L KLP^L | :HOO^L ZKRV^L JRLQJ^L WR^L SURWHLRQ^L WKH^L
HQYLURQPHQW^{"L} +H^L VDLG^L UHSRQHG^L WR^L KLP^L DQG^L VDLG^L | :HOO^L ZHOO^L ++ L ZHOO^L
EH^L ILQH^L ZIWK^L WKH^L HQYLURQPHQW^L | :HOO^L EH^L ILQH^L ZIWK^L WKH^L HQYLURQPHQW^L |

:HOO^L ZHJH^L FRQFHUQHG^L WKDW^L ZH^L ZROW^L EH^L ILQH^L ZIWK^L WKH^L HQYLURQPHQW^L
6RPHALPHV^L ZRUGV^L GR^L PDWHL^L \$QGL RCH^L RI^L WKH^L ++ L RCH^L RI^L WKH^L FRQFHUQV^L WKDW^L
,^L KOYH^L LV^L ++ L LV^L KH^L WKH^L SUHMLGHQW^L L <RX^L ZRQG^L EH^L KLV^L QRPLQH^L L <RX^L ZRQG^L
EH^L KLV^L (3\$^L DGPLQLWLWDWRU^L

'RH^L DOO^L ++ L DOO^L WKH^L WKLQJV^L WKDW^L KH^L VDLG^L LQ^L WKH^L FDPSDLJQ^L GR^L WKH^L MXW^L JR^L
DZD^L ,Q^L \RX^L KH^L SXW^L VRPHERG^L LQ^L SODFH^L ZKR^L KOV^L DRWDOO^L GHIXQGHG^L
RU^L CHG^L WR^L WKH^L GHIXQGLQJ^L RI^L WKH^L HQYLURQPHQWDO^L SURWHLRQ^L XQLW^L ZIWKLQ^L \RXU^L
RZQ^L DJHQF^L | \$QGL \HW^L \RXYH^L MRLQHG^L LQ^L DL GRJHQL RU^L PRUH^L ODZVXLUW^L RYHUL^L WKH^L
ODWW^L VL^L \HDU^L HYHU^L VLOPH^L \RXYH^L EH^L QDMLQH^L JHQHDO^L LQ^L JRLQJ^L DMHUL^L
WKH^L (3\$^L

7KDW^L ZK^L \RX^L KOYH^L WKH^L NLQG^L RI^L FRQFHUQ^L WKDW^L \RXU^L ZIWKHVLQJ^L KHJH^L
ARGD^L GRW^L MXW^L RQ^L WKDW^L VLGH^L RI^L WKH^L GDLV^L EXW^L RQ^L ++ L RQ^L WKLV^L VLGH^L DV^L ++ L DA
ZHOO^L

<RX^L MXW^L WRRN^L DQ^L RDW^L | <RX^L UDLVHG^L \RXU^L KOQG^L DQ^L WRRN^L DQ^L RDW^L WR^L DQVZHU^L
WKH^L TXHMLRQ^L TXHMLRQ^L WKDW^L RXU^L FKOLUPDQ^L DMHGL^L RI^L \RX^L \$QGL RCH^L RI^L
WKH^L ZDVL^L DL TXHMLRQ^L GHOLQJ^L ZIWK^L \RXU^L ZLQOLQJHW^L WR^L ++ L WR^L UHSRQG^L WR^L
UHDVRQDEOH^L TXHMLRQ^L WKDW^L DUH^L DMHGL^L RI^L ++ L RI^L \RX^L

2QH^L RI^L WKH^L WKLQJV^L, L DMN^L RI^L \RX^L, L VXEPLWHG^L DL CHW^L WKDW^L, L WKLN^L \RX^L
UHFILYHG^L LQ^L VKRUW^L DMHUL^L &KULWADW^L 'HHPHEHU^L ++ L PD\EH^L 'HHPHEHU^L
+ L WK^L FORMH^L RI^L EXVLQHW^L \$QGL LQ^L IW^L, L DMHGL^L DL CRW^L RI^L TXHMLRQ^L, L DMHGL^L WK^L
\RX^L WU^L WR^L UHSRQG^L E\ L -DQXOU^L WK^L

&4◀ FRP↑6HQDWHL (QYLURQPHQW L DQG L 3XEOLF L :RUNV L &RPPILWHL +ROGV L +HUI3DJH L RI L

◀RX L GLCQW L UHMSRQGL WR L RQH L RI L WKHP L E\ L -DQXDU\ L WK L ▶RX L FHJWDLQO\ L GLCQW L
UHMSRQGL WR L PH L QRW L HYHQL RQH L 7RGD\VL KHDULQJ\ L , L MXW L DVHGL P\ L WNDI\ L
KDYH L ▶RX L UHMSRQGHG L WR L DQ\ L RI L WKRML TXHMLRQ\ L LQ L ZUWLQJ\ L WKDW L , L DVHGL
DOPRW L WKUHL ZHNV L DJR\ L DQG L WR L P\ L NQRZOHGJH\ L QRL UHMSRQMH L KDV L \HW
EHQL ++ L WKDW L ZHM L UHFHLYHG L 7KDWL ZK\ L ZH L KDYH L DL FRQFHUQ L 7KDWL ZK\ L
ZH L KDYH L DL ++ L DL FRQFHUQ

OHUXU\◀

358,77 L

,PL VRW\"

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,PL JRLQJ L WR L DVN L ▶RX L ++ L ,PL JRLQJ L WR L WDNLQJ L DERXW L PHUFXU\◀ L ,Q L
+ !! ¶ ¶ Ø L WKH L (3\$ L UHTXLUGH L GLUM L FRDOL SRZHU L SODQW L WR L FHDQ L XS L PHUFXU\ L DQG L
DLU L WR[LF L HPLWLRLQV L E\ L LWXLQJ L WKH L OHUXU\ L DQG L \$LU L 7R[LF L 6ADQGDUGV L
5XCH\◀

7KLVL UXCH L ZLOO L UHGXFL WKH L PHUFXU\ L DQG L CHXURWR[LQ L WKDW L FRQNDPLQDWHV L RXU L
WUHDP\ L DQG L RXU L RHDQV\ L SROOKWHV L RXU L LVK L DQG L KDVPL RXU L FKLOGUHV L
KHDOWK\◀ L \$V L DMRQH V L JHQHUDO\ L , L EHOLYH L EHQL SDUW L RI L DV L CHDW L ¶ + L
CHUDOL FDWV L DJDLQW L WKH L (3\$ Ø L LQ L DV L CHDW L WKUHL RI L WKHM L FDWV\ L DJDLQW L
WKH L (3\$V L UXCHV L WR L UHGXFL PHUFXU\ L HPLWLRLQV L IURP L SRZHU L SODQW\◀

,V L WKDW L FRUHW\ L MXW L \HW L RU L QR"

358,77 L

6HQDWU\ L ZH L KDYH L EHQL LQYROMHG L LQ L OAWJDALRQ L DURXQG L WKH L 0\$76 L 5XCH\◀◀

&\$53(5 L

,V L WKDW L FRUHW\ L \HW L RU L QR"

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\$V L , L QGLFDWHG\ L \HW L ZHM L EHQL D L SDUW L RI L OAWJDALRQ\◀◀

&\$53(5 L

7KDQNL ▶RX\◀

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HUI3DJH^L + RI^L

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◀◀◀ L IROORZLQJ^L WKH^L 0\$76^L 5XCH[¶]

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,W\ P\ XQGHUWDOGLQJ^L WKDW^L DW^L CHDW^L RQH^L WKHM^L FDHV^L DJDLQW^L WKH^L PHUXU\ L
UXOH^L LV^L WLCO^L SHQGLQJ[¶] L ,V^L WKDW^L FRUHW^L -XW^L \HV^L RU^L CR[¶]

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, L EHOLHYH^L VR[¶] L 6HQDWRU[¶] L <HV[¶]

&\$53(5 L

,Q^L WKH^L FDHV^L DJDLQW^L WKH^L PHUXU\ L UXOH[¶] L \RX^L TXHVALRQHG^L WKH^L (3\$V^L
GHWHUPLQDNLQ^L WKDW^L PHUXU\ L HPLWLRLQV^L TURP^L SRZHU^L SODQW^L DUH^L KOUPIXO^L WR^L
KHDWK[¶] L DQG^L VKRXOG^L EH^L UHJXODWHG[¶]

7R^L EH^L FODU[¶] L KDYH^L \RX^L HYHU^L VXSSRUWHG^L D^L FDHV^L DJDLQW^L WKH^L (3\$ L WKDW^L
FODLPHG[¶] L TXRW^L ++ L WKLV^L LV^L D^L TXRW[¶] L | +XPDQ^L H[SRVXUH^L WR^L PHWK^L O^L PHUXU\ L
UHMXONLQ^L TURP^L FRDO^L TLUHG^L SRZHU^L SODQW^L LV^L H[FHGLQJO^L VPDQO^L] " L <HV^L RU^L CR[¶]

358,77 L

6HQDWRU[¶] L WKDW^L CRW^L DL \HV^L RU^L CR^L DQVZHJK[¶] L \$QG^L LI^L , L PD\ L ++ L LI^L , L PD\ L <HV[¶]

&\$53(5 L

)DLU^L HQRXJK[¶]

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2.[¶]

&\$53(5 L

7KLV^L SRVHWRQ^L VHHPV^L WR^L TXHVALRQ^L D[¶] L DQ^L (3\$ L GHFLVLRQ^L LQ^L ++ !! !! ![¶] L LQ^L ZKLFK^L
AKH^L DJHDF\ L GHWHUPLQHG[¶] L DMHU^L DOPRVW^L D^L GHFDGH^L RI^L WAG[¶] L WKDW^L ++ L WKLV^L LV^L D^L
TXRW^L TURP^L WKH[¶] L | OHUFXUV^L HPLWLRLQV^L TURP^L SRZHU^L SODQW^L SRVH^L VLJQLILFDQW^L
KDJDUGV^L WR^L SXEOLF^L KHDWK^L DQG^L PXW^L EH^L UHGXFHG[¶] | L FORMH^L TXRW[¶]

:RXOG^L \RX^L VD^L WKH^L CHJDO^L FDHV^L \RXYH^L VXSSRUWHG^L LQ^L WKH^L SDWW^L GLUHRW^L
FKDOOHQHJHG^L WKLV^L DJHDF\ L TLOGLQJ["] L <HV^L RU^L CR[¶]

&4◀ FRP↑6HQDWHL (QYLURQPHQW↑ DQG↑ 3XEOLF↑ :RUNV↑ &RPPLWHL↑ +ROGV↑ +HUI3DJH↑ + RI↑

358,77 L

6HQDWU↑ L WKH↑ ++ L WKH↑ FKDOOHQJHV↑ ZMHHL KDG↑ L DV↑ D↑ ++ L DV↑ D↑ ++ L DV↑ D↑ VDWHL ◀◀

&\$53(5 L

◀HV↑ RU↑ QR"

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◀◀◀ L DORQJ L ZWK L WKH L RAKHUL VDWHL ◀◀◀

&\$53(5 L

◀HV↑ RU↑ QR"

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, I↑ , L PD* L 6HQDWU↑ ++ L LI↑ , L PDI◀

&\$53(5 L

-XW+ + + L MWL KROGL \RXUL TLUHL -XW+ KROGL \RXUL TLUHL

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2.◀

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7KH L CHUDO L SRVWLRLQ L \RXYH L WDNLQ L RQ L PHUFXU L KHDWK L DOVR L VHPV L WR L FDOL L QL L
TXHMLRQ L WKH + !! T L WHMLPRQ L TURPL WKHL (3\$ L \$WLWDQW \$GPLQLWUDWU L RI L
\$LU L DQG L 5DGLDWLRQ L -HIT L +ROPWHDQ L XQGHUL *HRUHL :◀ L %VK L VDW ULJKW
ZKHL L \RXUL VVWLQJ WRGD* L DQG L WKLV L LV L ZKWL KH L VDLG

| (3\$ L LV L UHTXLUGH L WR L UHJXODWH L PHUFXU* L BHFDXVH L (3\$ L GHWUPLQHG L WKDW
PHUFXU L HPLWLRLQ L TURPL SRZHL SDQW L SRVHL DQ L RAKHULVH L XQGGUHWHG L
VJQL L FLDQW ULVN L WR L KHDWK L DQG L WK L HQYLURQPHQW* L DQG L BHFDXVH L FRQWURO* L
RSWLRLQ L WR L UHGXFH L WKLV L ULVN L DUH L DYDLODEOH |

7KLV L %VK L (3\$ L VDWPHQW L RQ L PHUFXU L ULVN L VHPV L FRQWUDU L WR L WKH L CHUDO L
DUJXPHQW L \RX L VSSRUWHG L LQ L WKH L SDWHL ,V L WKDW FRUHRW L ▵HV L RU L QR

358,77 L

KWS ↑ ↑ ZZZ◀ FT◀ FRP↑ GRF↑ FRQJUHWLRQDO DQG VULSAW "¶ + SULQWWUXH ¶ + !!

&4◀ FRP↑6HQDWHL (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPLWHL +ROGV L +HUI3DJH II ↑ RI II

, L DJUHH L ZLWK L ++ L , L DJUHH L ZLWK L OU L +ROPWHDGV L SRMWRQ L WKOW PHUFXU L LV L VRPHWLQJ L WKDW L YHUV L GDQJURXV L WR L WKH L HQYLURQPHWK ◀ ◀

&\$53(5 L

7KDQN L \RX L YHUV L PXFK ◀

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◀ ◀ ◀ L DQG L VKRXOG L EH L UHJXODWHG L XQGHU L 6HFWLRQ L ¶ ¶ ± ◀

&\$53(5 L

\$UH L \RX L DZDUH L WKOW WKH L ODWW WKUHH L DGPLQLWLDWRUV L KDYH L SXEOLFO L VWDWHL L WKOW WKH L (3\$ L LV L UHTXLUGH L WR L UHJXODWH L PHUFXU L TURP L SRZHU L SODQW L EHDVXH L RI L WKH L KHODWK L ULVNM" L <HV L RU L QR ◀

358,77 L

, L EHOLHYH L WKOW PHUFXU L VKRXOG L EH L UHJXODWHG L XQGHU L 6HFWLRQ L ¶ ¶ ± ◀

&\$53(5 L

7KDQN L \RX L YHUV L PXFK ◀ L \$FFRUGLQJ L WR L WKH L (3\$ L ++ L P\ L WLPH L LV L DERXW L WR L H[SLUH L ,OO L MWW KROG L ++ L KROG L LW L IRU L WKH L 7KDQN L \RX L YHUV L PXFK L OU L ++ L (&KDLUPDQ ◀

%\$55\$662 L

7KDQN L \RX L 6HQDWRL L &DUSHU ◀

6HQDWRL ,QKRIH"

,1+2)(L

7KDQN L \RX L OU L &KDLUPDQ ◀

:HOO L , L GRQW WKLN L \RX L KDG L DGHTXODWH L WLPH L WR L DQVZHU L VRPH L RI L WKH L TXHMLRQ L WKDW ZHUH L DMHG L ,V L WKH L DQWKLQJ L \RXGL OLNH L WR L DGG L WR L HODERUDWH L RQ ◀ ◀

358,77 L

KWS ↑ ↑ ZZZ FT FRP↑ GRF↑ FRQJUHWLRQDOWDQWULSAW "¶ ± SULQWWUXH ¶ ± !!

&4 FRP 6HQDWL (QYLURPHQW DQG L 3XEOLF L :RUNV L &RPLLWHL +ROGV L +HUI3DJH L RI L

4M L 6HQDWL \$QG L WKDN L \RX L , L GR L ZDQW WR L VD\ L WR L 6HQDWL &DUSHU L
FRQHQL L ZIWK L UHSHRW WR L WKH L SUHVLGHQW HCHRW L WDNPHQW L WKLURXJKRW L WKH L
FDPSDLJQ L , L EHOLHYH L WKH L LV L D L YHU L LPSRUNDQW URCH L IRU L WKH L (QYLURPHQW L
3URHFWLRQ L \$JHQF \ L , Q L IDFW L \RX L DQG L , L WDNHG L DERXW WKDW L LQ L + + L LQ L \RXU L RI IFLH
, L EHOLHYH L WKDW WKH L DUH L DLU L TXDOLW L LWXHM L DQG L ZDWHU L TXDOLW L LWXHM L WKDW
FURWL WDNH L OLQH L WKDW WKH L MXULVGLFWLRQ L RI L WKH L (3\$ L LWW L LQYROYHPHQW L LQ L
SURHFWLQJ L RXU L DLU L TXDOLW L DQG L LPSURYLQJ L RXU L QDWLRQV L ZDWHU L LV L
HJWUHPHO L LPSRUNDQW L \$QG L WKH L (3\$ L KDV L VHJYHG L D L YHU L YDOXDECH L URCH L
KLWWRULFDOD L

\$MHJ L DOO L LW ZDVL 5HSXEOLFDQV L ZKR L FUHDWHL WKH L (3\$ L XQGHU L H[HFXALYH L RUGHU L
LQ L WKH L → !! L DQG L WKLV L ERG L KDV L SDWHLG L PDQ L SLHFW L RI L CHJLVODWLRQ L VLQFH L
WKH L → !! V L WR L IRFXV L XSRQ L LPSURYLQJ L RXU L DLU L LPSURYLQJ L RXU L ZDWHU L TXDOLW L
\$QG L ZH L KDV L PXFK L WR L FHCHEUDW L

\$FWKDOO L WKRML L VL [L FULWHULD L SROOXWDQW L XQGHU L WKH L 0\$76 L SURJUDP L VLQFH L
WKH L ← !! L DUH L GRZQ L T L SHUFHQW L :HL KOYH L PDGH L SURJUHW L DV L D L FRXQW L EXW
ZH L KOYH L ZRUN L WR L GR L DQG L WKH L (3\$ L KDV L D L YHU L YDOXDECH L URCH L LQ L SDWQHULQJ L
ZIWK L WKH L WDNH L WR L FDW L RXW L WKRML L WHSV L WR L HQXUH L LPSURYLQJ L RXU L DLU L
TXDOLW L DQG L SURHFWLQJ L RXU L QDWLRQV L ZDWHU L

6R L 6HQDWL &DUSHU L , PL KRSHIXO L WKDW L LQ L UHMSRQH L WR L \RXU L FRQHQL L DERXW
WKH L URCH L RI L WKH L (3\$ L , L EHOLHYH L LWW L D L YHU L YDOXDECH L URCH L \$QG L LWW L VRPHWKLQJ L
WKDW ZH L VKRXOG L IRFXV L RQ L DQG L SDWQHUL L ZIWK L RXU L WDNH L

:LW L UHSHRW WR L PHUFXU L WKH L OLWJDWLRQ L WKDW \RX L UHJHUHG L WR L WKH L ZDVL CR L
DUJXPHQW L WKDW ZH L PDGH L ILURP L D L WDNH L SHUHSHFWLYH L WKDW PHUFXU L LV L CRW L D L
KDJUGXV L DLU L SROOXWDQW L XQGHU L 6HFWLRQ L WKH L → ! L 2XU L DUJXPHQW L IRFXVHG L XSRQ L
WKH L FRWW EHQH L LW DQDO VLV L WKDW WKH L (3\$ L IDLCHG L WR L GR

\$QG L WKH L OLFKLJDQ L Y L (3\$ L FDM L WKH L 6XSUHPL &RXUW DFWKDOO L DJUHG L 6R L
LW ZDVL PRUH L DERXW WKH L SURFHWA L DJDLQ L WKDW WKH L (3\$ L ZDVL VXSSRVHG L WR L JR L
WKURXJK L LQ L UHJXODWLRQ L PHUFXU L WR L SURYLGH L FHUWDLQ L WKRML L LQ L WKH L
FDUNHWSODFH L CRW L D L WDNPHQW L ZIWK L UHSHRW WR L ZKHQHUL PHUFXU L VKRXOG L EH L
UHJXODWHL RU L CRW L XQGHU L 6HFWLRQ L WKH L → ! L

7KDQNL \RX L 6HQDWL , QRIH L

, 1+2) (L

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHWLRQDO DQG MULSAW " " → SULQWVWUH → !!

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HUI3DJH^L + RI^L

7KDN^L \RX[¶] L *HQHDO[¶] L ,YH^L ++ L ,PL JODGL\RX^L EURXJKW^L XS^L WKL^L WKLQJ^L DERXW^L WKH^L
++ L WKH^L &HDQL \$LUL \$FW^L 7KH^L DPHQPHQW^L TURPL ¶ !! ¶ L ZDV^L RQH^L RI^L WKH^L FR+
VSRQMRUV[¶] L ,WL EH^L QFUHGLEO\ L VXFH^L WIXO[¶] L ,L PHDQ[¶] L \RX^L PHQALRQHG^L WKDW^L
ZMH^L UHGXFHG^L WKR^L SROOXWDQW^L E\ L ↑ T^L SHUFHQ[¶] L EXW^L ZKDW^L \RX^L GLGQW^L ++ L ↑ T^L
SHUFHQ[¶] L ZKDW^L \RX^L GLGQW^L DQG^L ZDV^L LQ^L VSLWHL RI^L WKH^L IDRW^L WKDW^L ZH^L
KDG^L ¶ ↑ T^L SHUFHQ[¶] LQFUHDMH^L LQ^L RXU^L HFRQRPLFL DFWLYLM[¶] L 7KDW^L DL PDMLU^L WKLQJ[¶]
,Q^L P\ L LQWURGXFWLRQ[¶] L ,L PHQALRQHG^L WKL^L WKLQJ^L WKDW^L \RX^L GLG^L WKDW^L QR^L RQH^L FRXOG^L
ILJXUH^L RXW^L KRZ^L \RX^L GLG^L LW^L ,QYROYHG^L DL ¶ !! !! + VHDL GLVSXWH^L EH^L HQ^L QRW^L MW^L
WKH^L &WDWHL RI^L 2NODKRPD^L DQG^L WKH^L &LW^L RI^L 2NODKRPD^L &LW^L DQG^L WKH^L
&KRFNRKDZV^L ♂ VLF^L DQG^L WKH^L &KLFNDVDZV[¶] L \RX^L ZDQW^L WR^L VDUH^L ZLW^L XV^L KRZ^L
\RX^L GLG^L WKDW^L

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:KDW^L DUH^L \RX[¶] ◀ ◀

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\RX^L NQRZ[¶] L WKH^L WULHGL IRUL DL KXQGUHG^L \HDUW[¶] L DQG^L \RX^L FDPH^L LQ^L DQG^L GLG^L LW^L LQ^L
CHW^L WKDQ^L DL KXQGUHG^L GDW[¶]

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\HDQ[¶] L CHW^L WKDQ^L HLJKW^L PRQKVL LQ^L WR^L P\ L DGPLQLWUDALRQ^L DV^L DWURUHV^L
JHQHDO[¶] L ZH^L ZHUH^L VXHG[¶] L DV^L DL WDW[¶] L E\ L WKH^L &KRFNDZ^L DQG^L &KLFNDVDZ^L
1DALRQ^L ZLW^L UHVSHFW^L WR^L ZDWHU[¶] L LQ^L ¶ → L FRXQALHV^L LQ^L 6RXWHDW^L 2NODKRPD[¶]

ODQ^L RI^L \RX[¶] L L\ L \RX^L NQRZ^L DQWKLQJ^L DERXW^L ZDWHU^L O\WJDALRQ[¶] L LW^L JHQHDOO\ L
ADNHV^L GHFDGHV^L WR^L UHROYH^L ZDWHU^L O\WJDALRQ[¶] L :H^L ZHUH^L DECH^L WR^L JR^L TURPL^L
\$XJXW^L RI^L !! ¶ !! L XQALO^L !! ¶ !! L DQG^L GHJRALDW^L DQ^L KLWRULF^L ZDWHU^L ULJKW^L
DJUH^L SHUFHQ[¶] ZLW^L WKR^L WR^L QDWLRQ[¶] L WR^L SURYLG^L PHWDLQ^L WR^L WKR^L WKDW^L DUH^L
UHJXODW^G L WR^L SURYLG^L DL YRLFH^L WR^L WKH^L WULEHM[¶] L LQ^L ++ L ZLW^L UHVSHFW^L WR^L ZDWHU^L
DOORFDALRQ[¶] L DQG^L ZDWHU^L TXDOLW[¶]

\$QG^L WKH^L WDW^L KDV^L PDLQWDLQHG^L LW^L SRM\LRQ^L RI^L WKH^L DUELW^L RI^L KRZ^L WKR^L
SHUPLW^L DUH^L DOORFDW^G L DV^L ZHOO[¶] L 6R^L LW^L ZDV^L DL SDUNQHUMLS[¶] L ,W^L ZDV^L WKH^L ZD\ L
AKLQJV^L RXJKW^L WR^L ZRUN[¶] L ZKHQ^L O\WJDALRQ^L RFFXUW[¶] L V\W\LRQ^L DFURW^L WKH^L WDECH^L TURPL^L
LQGLYLGXDW[¶] L DQG^L ZRUNLQJ^L WRJHWKHU^L WR^L WU^L WR^L VROYH^L WKH^L SUREOHP[¶]

\$QG^L GHQDWRU[¶] L ZH^L ZHUH^L DECH^L WR^L DFKLHYH^L WKDW^L LQ^L UHFRUG^L WLPH[¶] L DQG^L ,P^L YHU^L
SURXG^L RI^L ZKDW^L GLG[¶] L DV^L DL WDW[¶] L DQG^L DV^L WKH^L &KLFNDVDZ^L DQG^L &KRFNDZ^L
1DALRQ^L WRJHWKHU[¶]

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHWLRQDO DQG MULSAW "¶" L SULQWWUXH ¶ !!

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L +HUI3DJH^L + RI^L

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<HK[‡] L WKDW^L JRRG[‡] L , L WKLQJ[‡] L DOVR[‡] L \RX^L JRW^L WKH^L DOL^L LQ^L RGH^L URRP[‡] L GLGQW^L \RX["]

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<HM[‡] L VLU[‡]

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7KDW^L ZRUNV[‡] L <\RX^L PD\ L FUWLFLJH[‡] L DQG^L VRPH^L RI^L WKH^L SHRSCH^L WDONLQJ^L DERXW^L
\RXU^L ++ L \RXU^L HQYLURPHQWDO^L UHFRUG[‡] L , L ZRXOG^L OLNH^L WR^L EH^L VXUH^L WKDW^L SHRSCH^L DUH^L
DZDUH^L RI^L ++ L DL QXPHEH^L RI^L SHRSCH^L ++ L , L KDYH^L VRPH^L KH[‡] L WKDW^L ,OOL^L VXEPLW^L IRU^L
AKH^L UHFRUG[‡] L EXW^L DL JX\ L QDPHG^L (GL)LWH^L LV^L WKH^L YLFH^L SUHMLGHQW^L RI^L 6FHQLF^L
5LYHUV^L DQG^L WKH^L ZDWHU^L TXDOLW^L RI^L WKH^L *5'\$[‡]

7KLV^L LV^L DL SHURQ^L ZKR^L KDV^L UHDOD\ L EH^L DW^L WKH^L IRUHURQW^L RI^L RXU^L 6FHQLF^L
5LYHUV^L SURJUDP[‡] L +H^L SUDLVHV^L \RX[‡] L VD\ LQJ^L | , L IRXQG^L WKDW^L *HQHUDO^L 3UXIWW^L KDV^L
DOZD\ V^L GRQH^L ULJKW^L E\ L RXU^L VFHQLF^L ULYHUV[‡] L +H^L GRQH^L HYHUVWKLQJ^L
FRQWUXFWLYH^L WKDW^L KH^L WROG^L PH^L WKDW^L KH^L ZRXOG^L GR[‡] |

7KH^L VDPH^L WKLQJ^L FRPHV^L TURP^L WKH^L 1RJW^L &DUROLQD^L 'HSUWPHQW^L RI^L
(QYLURPHQW^L 4XDOIW[‡] L 'RQDOG^L YDQ^L GHU^L 9DDW[‡] L KH^L ZURW[‡] L | 3UXIWW^L LV^L
FRPPLW^H^G^L VR^L FODQD^L DLU^L DQG^L FODQD^L ZDWHU[‡] L DQG^L VR^L UHMRULQJ^L WKH^L (3\$^L VR^L LW^L
RULJLQD^L PLWLRQ^L RI^L HQIRUFLQJ^L WKH^L HQYLURPHQWDO^L ODZV^L ZULWHQ^L E\ L
&RQJUHW[‡] |

-[‡] ' [‡] L 6WLRQ[‡] L KHDG^L RI^L WKH^L :DWHU^L 5HMRXUHV^L %RDUG[‡] L KH^L VDLG[‡] L | \$MRUHV[‡] L
*HQHUDO^L 3UXIWW^L L DQG^L KH^L JRHV^L RQ^L DQG^L SUDLVHV^L \RX[‡] L ,GL OLNH^L WR^L NQRZ^L ZK\ L LW^L LV^L
\RX^L KDYH^L EHFRPH^L DL KHUR^L RI^L WKH^L 6FHQLF^L 5LYHUV^L SHRSCH[‡]

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:HOD^L 6HQDWU[‡] L DV^L \RX^L NQRZ[‡] L 2NODKRPD^L KDV^L HQXUHG^L PDQ^L GHFDGHV^L RI^L
GLVSXW[‡] L ZLWK^L UHSHFW^L WR^L SKR\SKRLRXV^L CHYHV^L LQ^L WKH^L VFHQLF^L ,OOLRLV^L 5LYHUV[‡] L
,Q^L IDFW[‡] L WKHUV^L EH^L QWLJDWLQ^L WKDW^L EH^L D^L SDJW^L RI^L WKDW^L GLVSXW^L IRU^L VRPH^L
ALPH[‡]

7KHUH^L ZDVL DFWKDOO\ L D^L PHPRUDQGP^L RI^L XQGHUW\ DQGLQJ^L WKDW^L \$UNDQDV^L DQG^L
2NODKRPD^L HQXUHG^L LQWR^L DURXQG^L ++ !! ++ !! ++ !! ++ !! ++ !! ++ !! ++ !! ++ !! ++ !! ++ !!
H\SLUHG^L GXLQJ^L P\ L WLPH^L DV^L DMRUQH^L JHQHUDO[‡] L 7KHUH^L ZHUH^L PDQ^L LQ^L
JRYHUQPHQW^L DW^L WKH^L WLPH^L WKDW^L VDLG^L ZH^L VKRXOG^L MXW^L ZDW^L RQ^L WKH^L (3\$^L VR^L
FRPH^L LQ^L DQG^L DGGUHW^L WKH^L LWXH[‡] L \$QG^L , L FKRVH^L D^L GLI HUHQW^L SDWK[‡]

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +HUI3DJH^L L RI^L

, L DFWODOO\ L UHDFKHG^L RXW^L WR^L P\ L 'HPRFDW^L FROHDJXH^L L 'XWLQ^L OF'DQLHO^L WKH^L
DWRUQH^L JHQHDO^L RI L WKH^L 6WDWH^L RI L \$UNDQMD^L L DQG^L ZH^L ZHUH^L DECH^L WR^L
QHJRWLDWH^L DQ^L DJUHPHQW^L WKOW^L KDG^L SKRVSKRURXV^L CHYHDL^L VHW^L DW^L !! ↳ ! T → ⚡ L
VFLHQWL LFDOO\ L GULYHQ^L L DQG^L HQIRUFHG^L RQ^L ERAK^L VLGH^L RI L WKH^L ERUGH^L L IRU^L WKH^L
ILUWW^L WLPH^L LQ^L KLWRU\◀

\$QG^L VR^L , L WKLQN^L OU^L)LWH^L LV^L DFWODOO\ L WKH^L KHDG^L RI L 6FHQLF^L , OOLQLV^L 5LYHUV^L
&RPPLWLRQ^L ⚡ VLF[‡] L +HV^L BHQ^L FHQWHL^L RQ^L WKLV^L LWXH^L IRU^L DL QXPHEU^L RI L \HDUV[‡] L
\$QG^L , L WKLQN^L KLV^L JRRGL^L ZRUG^L UHODWH^L WR^L WKH^L ZRUN^L WKOW^L ZH^L GLG^L L LQ^L P\ L RI I L FH^L L
ZRUNLQ^L ZLWK^L 'XWLQ^L OF'DQLHO^L WR^L DFKLHM^L WKOW^L JRRGL^L RXAFRPH[‡]

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◀DK[‡] L , L NQRZ^L P\ L WLPH^L KDW^L H[SLUHG^L L EXW^L OU^L &KDLUPDQ^L L , GL OLNH^L WR^L HQWHU^L
LQAR^L WKH^L UHFRUG^L L DW^L WKLV^L SRLQW^L LQ^L WKH^L UHFRUG^L L WKH^L VWDWHPHQW^L E\ L WKH^L
(QYLURQPHQWDO^L ++ L WKH^L '(4^L WKOW^L , L UHIIWWHG^L WR[‡]

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:LWKRXW^L REMHAWLRQ^L KHDULQJ^L CRQH[‡]

6HQDWU^L :KLWKRXVH[‡]

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7KQNM^L &KDLUPDQ[‡] L :HOFRPH^L WR^L WKH^L FRPPLWHL^L L OU^L L 3UXLWW^L L \$V^L ZH^L
GLVFXWHG^L ZKHQ^L \RX^L DQG^L , L PHW^L L WKH^L RFHDQV^L RI I L RI L RXU^L RFHDQ^L VWDWH^L DU^L
ZDUPLQ^L GXH^L WR^L IRWLO^L IXHO^L GULYHQ^L FOLPDWH^L FKDQJH[‡] L ,W^L LV^L FDVKLQJ^L RXU^L
ILVKHULHM^L OLNH^L OREWHL^L DQG^L ZLQHUL^L IORXQGHU^L L DQG^L PDNLQJ^L HDUQLQJ^L D^L OLYLQJ^L
KOLQH^L IRU^L RXU^L ILVKHUPHQ[‡] L , L VHH^L QRWKLQJ^L LQ^L \RXU^L FDUHUL^L WR^L JLYH^L WKRVH^L
ILVKHUPHQ^L DQ^L FRQILGHQFH^L WKOW^L \RX^L ZLOO^L FDUH^L RQH^L ELW^L IRU^L WKHUL^L ZHOO^L EHLOQ^L L
DQG^L QRW^L MXW^L WKH^L ZHOO^L EHLOQ^L RI L WKH^L IRWLO^L IXHO^L LQGXWW[‡]

,Q^L D^L SURFH^L WKOW^L \RX^L FRXOG^L UHSOLFDW^L LQ^L DQ^L 2NODKRPD^L KLJK^L VFKRRO^L
VFLHQFH^L ODE^L H[PHW^L FDUERQ^L GLR[LGH^L TURPL^L IRWLO^L IXHO^L HPLWLRQV^L LVL WUQLQJ^L
RXU^L VHDV^L PRUH^L DFLG[‡] L 5KRGH^L , VODQG^L VKHOO^L ILVKHUPHQ^L DQG^L VKHOO^L LVK^L JURZHV^L
DU^L FROPHQHG[‡] L ,Q^L P\ L FROHDJXH^L L 6HQDWU^L OHUNCHV^L VWDWH^L L WKH\YH^L
DQH^L KDG^L RIVWHL^L VSDW^L ZLSHG^L RXW^L IRU^L EXVLQHVVH^L E\ L DFLGLI L HGL^L ZDWHU[‡] L , L
VHH^L QRWKLQJ^L LQ^L \RXU^L FDUHUL^L WKOW^L \RX^L ZRUG^L FDUH^L DW^L DOOL^L DERXW^L RXU^L 5KRGH^L
, VODQG^L VKHOO^L ILVKHUPHQ[‡]

&4 FRP[†]6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWVWH^L +ROGV^L +HUI3DJHT^L RI^L

,Q^L 5KRGH^L ,VODQG^X^L ZH^L KDYH^L EDG^L DLU^L GD\VK^L \$QGL EHFDXVH^L RI^L (3\$V^L ZRUN^X^L
AKH^L DUH^L IHZHU^L DQG^L IHZHU^X^L \$L EDG^L DLU^L GD\VL LVL DL GD\VL ZKHQ^L SHRSCH^L GULYLQJ^L
LQAR^L ZRUN^L KHDU^L RQ^L WKH^L UDGLR^L WKDW^L RJRQH^L IURPL RXW^L RI+ WWDWH^L VPRNH^L WDFNV^L
KDV^L FDGH^L WKH^L DLU^L LQ^L 5KRGH^L ,VODQG^L GDQJHURXV^X^L DQG^L WKDW^L LQIDQW^X^L DQG^L WKH^L
HOHJU^X^L DQG^L SHRSCH^L ZLWK^L EUHDWKLQJ^L GLTILFXONLHV^L VKRXOG^L WAD^L KRPH^X^L RQ^L DQ^L
RAKHUZLVH^L EHDXALIXO^L GD\VK^L

%HFDXVH^L WKRVH^L VPRNHWDFNV^L DUH^L RXW^L RI^L WWDWH^X^L ZH^L QHG^L (3\$L WR^L SURAHFW^L
XV^X^L DQG^L , L VHH^L QRWKLQJ^L LQ^L \RXU^L UHFRUG^L WKDW^L ZRXOG^L JLYH^L DL PRPL WDNLQJ^L KHUL^L
FKLOG^L WR^L WKH^L KRVSILDO^L IRU^L DQ^L DWKPD^L DWDFN^L DQV^L FRPIRUW^L WKDW^L \RX^L ZRXOG^L
ADNH^L WKH^L VOLJKAHMW^L LQWHLUHMW^L LQ^L KHU^X^L

\$QGL \RXU^L SDWLRLQ^L IRU^L GHYROYLQJ^L SRZHU^L GRZQ^L WR^L WWDWHV^L GRHVQW^L KHDS^L XV^X^L
EHFDXVH^L RXU^L WWDWH^L UHJXODARUV^L FDQW^L GR^L DQWKLQJ^L DERXW^L DQV^L RI^L WKRVH^L
SUREOPV^X^L 7KH^L DOO^L FRPH^L IURPL RXW^L RI+ WWDWH^L VRXUFHV^X^L ,Q^L WKLV^L UHSHIRW^X^L ZH^L
DUH^L YHU^L OLNH^L 'HODZDUH^X^L

2QH^L RI^L WKH^L WKLQJV^L ,G^L OLNH^L WR^L DW^L \RX^L DERXW^L KHUH^L LV^L WKH^L FROOHFLRQ^L
EHWZHQ^L \RX^L DQG^L VRPH^L RI^L WKHM^L IRWLO^L IXHO^L FRPSDQLHV^X^L 7KLV^L LV^L ++ L WKHM^L
DUH^L VRPH^L RI^L WKH^L FRPSDQLHV^L WKDW^L KDYH^L VXSSRUWHG^L \RX^X^L 7KHMH^L DUH^L VRPH^L RI^L
AKH^L SROLWFLDO^L RWDQL]DWLRQV^L WKDW^L \RXYH^L UDLVHG^L PRQH^L IRU^X^L <RAYH^L UDLVHG^L
PRQH^X^L IRU^L WKH^L IRU^L ++ L IRU^L 3UXLWW^L IRU^L DWRLQH^X^L JHQHUDO^X^L FRUHW^L

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4H^X^L VLHU^X^L , L KDYH^L DL FDPSDLJQ^L FRPPLWVWH^L WKDW^L ++ L \HM^X^L

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\$QGL 'HYRQ^L (CHUJ\X^X^L .RFK^L ,QGXWULHW^X^L ([[RQ^L ORELO^L KDYH^L DOO^L PD[HG^L RXW^L WR^L
AKDW^L DFFRXQW^X^L]]

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,P^L QRM^L DZDUH^L L1^L LW^X^L L

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◀◀◀ L DW^L YDULRXV^L WLPHV["]

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++ L PD[HG^L RXW^L RU^L QRM^X^L 6HQDARU^X^L EXW^L WKH^L KDYH^L ++ L ,P^L VXUH^L WKH^L KDYH^L JLYHQ^L

&4◀ FRP‡6HQDWHL (QYLURQPHQW L DQGL 3XEOLF L :RUNV L &RPPLWWHL +ROGV L +HUI3DJH L ¶ RI L

AR L WKH L ++ L WR L WKDW FRPPLWWH L

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2NODKRPDL 6WLRQJ L 3\$& L LV L \RXU L CHDGHUWKL S L 3\$&"

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,W L ZDV" L \$QGL VLPLODUO\ L WKH L JDYH L PRQH\ L WKH L PD[HG L RXW L WR L WKDW L
RUWDQL]DWLRQ L DV L ZHOO\ L ZKLFK L \RX L FRQWURO"

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,P L QRW L VXUH L DERXW L WKDW L 6HQDWRU L

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2.◀ L 7KH L FRQWULEXWHG L WR L W"

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,P L HMQ L XQVXUH L DERXW L WKDW L DV L ZHOO L , L KOYHQW L ORRNHG L DW L WKDW L

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<RX L FORMHG L \RXU L VXSHU L 3\$&\ L /LEHUV L ± ◀ !! \ L EXW L WKDW L WRRN L IRWLO L IXHO L
FRQWULEXWLQV L DV L ZHOO\ L FRUHW

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7KDW L ++ L WKDW L SDUWFXODUL HQWUW L KDV L EHQ L FORMHG\ L \HM L

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1RZ\ L \RX L KHDSHG L UDLVH L PRQH L IRU L WKH L 5HSXEOLFDQL \$WRUQH L *HQHUDOVL
\$WRFLDWLRQ L VLF\ L ZKLOH L \RX L ZHUH L D L PHPEHU L RI L IAW L H[HFXALYH L FRPPLWWH L
7KH L UHFHLYHG L • ↑ T !! \ !! !! L IURPL .RFLK L ,QGXWULH\ L • T ↑ !! \ !! !! L IURPL OXULD\ L
(QHJW\ L • ¶ T !! \ !! !! L IURPL ([RQL ORELO\ L DQGL • ¶ ↑ !! \ !! !! L IURPL 'HYRQL (QHJW\ L
D L FRPSDQ\ L ZKRVH L CHWHL \RX L WUDQWSRVHG L RQWR L \RXU L CHWHLKD\ L DQGL VHQL
DV L DQ L 2NODKRPDL DMWRUQH L JHQHUDO L GRFXPHQW

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +HUI3DJH^L RI^L

'LG^L \RX^L VROLFIW^L LQ^L \RXU^L URCH^L DW^L WKH^L 5HSXEOLFDQL \$WRUQH\ L *HQHDOV^L
\$WRFLDLRQ^L Ⓜ VLF□ Ⓜ DQ\ L RI^L WKOW^L IXQGLQJ"

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,P^L XODEOH^L WR^L FRQIILUP^L LI^L WKH^L JDYH^L WKRVL^L QXPEHUV^L 6HQDWL^L WKRVL^L
DPRXQW^L WKOW^L \RX^L + + L WKH^L ZHUH^L VHYHDO^L RQ^L WKH^L OLW^L WKH^L ▲ ▲ L CL
:+,7(+286(L 'LG^L \RX^L VROLFIW^L IXQGLQJ^L IURP^L WKH^L DV^L + + L LQ^L \RXU^L URCH^L DW^L
WKH^L 5HSXEOLFDQL \$WRUQH\ L *HQHDOV^L \$WRFLDLRQ^L Ⓜ VLF□ "

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, L DMHQGHG^L IXQGLDLVLQJ^L HYHQW^L DV^L DQ^L DMWRUQH\ L JHQHDO^L DORQJ^L ZLWK^L RAKHUL^L
DMWRUQH\ L JHQHDO^L ZLWK^L UHVSHFW^L VR^L WKH^L 5\$*\$<

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\$QG^L GLG^L \RX^L VROLFIW^L 'LG^L \RX^L DV^L WKH^L IRU^L PRQH\ "

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\$V^L , L + + L DV^L , L LGQGLDWHG^L , L DMHQGHG^L IXQGLDLVLQJ^L HYHQW^L ZLWK^L ▲ ▲

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%W^L WKDW^L GLTIHUVH^L \$WRUQH\ L D^L IXQGLDLVLQJ^L LV^L RQH^L WKLQJ^L \$VNLQJ^L WKH^L L LV^L
P^L TXHVALRQ^L 'LG^L \RX^L DV^L WKH^L IRU^L PRQH\ "

358,77 L

, L PHDQ^L L VSHFLILFDOD^L L \RX^L ZRXOG^L KDYH^L WR^L DV^L DERXW^L FHJWDLQ^L + + L FHJWDLQ^L
HQWLHV^L , L GRQW^L NQRZ^L + + L \RX^L FDQ^L JR^L WKURXJK^L DQ^L HQWLHV^L OLW^L ▲ ▲

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*R^L WKURXJK^L WKH^L HQWLHV^L .RPK^L ,QGXWLHV^L L OXULD^L (QHJW^L L ([RQ^L ORELO^L L

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HUI3DJH^L + RI^L

'HYRQL (CHUJ)\◀

358,77 L

, L GLGL QRM- DMN^L RI^L .RFK[⊗] L RU^L ++ L RUL WKDW^L ++ L ZKDW- ZHJHL WKL^L RAKHU^L RGHV"

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0XUD\ L (CHUJ\⊗ L ([RQL ORELO[⊗] L 'HYRQL (CHUJ)\◀

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, L ++ L KDYH^L QRM- DMHG^L WKH^L IRU^L PRGH[⊗] L IRU^L ++ L RQL EHKOI^L RI^L 5\$*\$\◀

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\$QG^L WKH^L ZH^L KDYH^L ++ L \RX^L VDLG^L WR^L WKH^L &KOLUPDQ^L WKDW- WKHJHL LV^L QRAKLQJ^L WKDW- PLJKW- SODFH^L \RX^L LQ^L DL FRQIOFW^L RI^L LQWUHW[⊗] L WKDW- \RX^L KDYH^L QRM- GLVFORMHG[◀] L <HW- \RX^L IRXQGH^L WKH^L 5XCH^L RI^L /DZ^L 'HIHQH^L)XQG[⊗] L ZKLFK^L LV^L DL GDUN^L PRCH^L RSHUDWLQ^L WKDW- VXSRUW^L WKH^L 5HSXEOLFDQ^L \$WRUQH^L *HQHDOV^L \$WRFLDWLQ^L ♂ VLF[⊗] L DQG^L \RX^L KDYH^L QRM- GLVFORMHG^L DQV^L RI^L \RXU^L VROLFLDWLQ^L IRU^L WKDW- HQW[⊗] L QRL^L KDYH^L \RX^L GLVFORMHG^L ZKDW- PRCH^L ZDV^L UDLVHG^L SXUVDQW^L WR^L WKRH^L VROLFLDWLQ[◀]

7KLV^L LV^L DQ^L RUJDQL]DWLRQ^L WKDW- DSSHDUV^L WR^L KDYH^L D^L PLOORQ^L GRODU^L D^L \HDU^L EXGHW[◀] L 6R^L YHJ\ L VXEWDQW^L IXQGV^L KDYH^L EHQ^L VROLFLWHG[◀] L , L EHOLHYH^L \RX^L ZHJHL LWW^L FKOLUPDQ[◀] L :LOL^L \RX^L GLVFORMHG^L \RXU^L URCH^L LQ^L VROLFLWQ^L PRCH^L DQG^L LQ^L UHFHLYLQJ^L PRCH^L IRU^L WKH^L 5XCH^L RI^L /DZ^L 'HIHQH^L)XQG[◀] L SXUVDQW^L WR^L \RXU^L VROLFLDWLQ["]

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6HQDWRU[⊗] L DL SRLQW^L RI^L FODULILFDWLQ[◀] L , L DFKDQO\ L GLGL QRM- VWDW[⊗] L QRL^L LQWLDWH^L WKH^L 5XCH^L RI^L /DZ^L 'HIHQH^L)XQG[◀] L 7KDW- LV^L VRPHWKLQJ^L , L GLGQW[◀] ◀◀

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\RX^L CHG^L LWW[◀]

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◀◀◀ L GR[◀] L ,YH^L EHQ^L D^L ++ L DQ^L RI^L LPHU^L RI^L WKDW- RUJDQL]DWLRQ[◀] ◀◀

&4◀ FRP↑6HQDWHL (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPLWVH L +ROGV L +HU3DJH T + RI L

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\$Q L RI I LFHUL RI L LM

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7KHJHL LV L DQ L H[HFXALYH L WDI T L IXQGUDLVHV L WKDW DFWDOO V L FDW V L RXW WH L
IXQFLRQV L RI L WKDW RUJDQL]DALRQ L 7KHJHL DUH L PDQ V L DMWRQH V L JHQHUDO L WKDW
VHVH L RQ L WKDW ERUG L ,W L QRW D L GHFLVLRQ L RI L RQH L ,W L D L + + L LMW D L GHFLVLRQ L RI L
AKRVH L WKDW KDYH L EHQ L HPSRZHUHG L WR L PDNH L WKRVH L GHFLVLRQ

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WX L KDYH QW L DFWHM◀ ◀◀

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, L KDYH L QR L DFWHM◀ ◀◀

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◀◀◀ L ZKRL V RX L DMHG L PRQH V◀ ◀◀

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◀◀◀ L IURP◀ L <RX L KDYH QW L WROG L XV L ZKDW WKH V L JDYH T L L I L V RX L DMHG L WKH P L ,W L D L
FRPSOHWH L EODNL KRQH T L LQWL ZKLFK T L DW CHDW L D L PLOORQ L GROODUV L JRHV L \$QG L
EDMHG L RQ L V RX L UHFRUG L RI L IXQGUDLVQJ T L LM DSSHDUV L WKDW D L JUHDW GHDO L RI L V RX L
IXQGUDLVQJ L FRPH V L IURP L WKH M L RUJDQL]DALRQ L ZKRL DUH L LQ L WKH L HQHW V L
VHFWRU L DQG L GHYRMHG L WR L ILJKALQJ L FOLPDWH L FKDQJH

&4 FRP 6HQDWHL (QYLURQPHQW DQG L 3XEOLF :RUNV &RPPLWHL +ROGV +HUI3DJHT ↑ RI ↑

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6RPHL RI L ZKR L ++ L VRPHL RI L ZKPL ,YH L DFWDOO\ L VHG L DV L ZHDX L 6HQDWU L %W
ZWK L UHSHFW WR L WKH L URCH L WKDW ◀◀

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1DPL L RQH L \RXYH L VHG L XS L WKHUH

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0\ L WPLH L KDV L H[SLUHG L :HOO L SXUWXH L WKLV L LQ L IXUWKHU L TXHWLRQLQJ

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◀DK L :HUL L ++ L ZHUL L QYROYHG L LQ L ++ L DV L ,L LQGLFDWHL ,L WKLQH L LQ L ++ L LQ L \RXL
RI L LFH L ZH L DUH L QYROYHG L LQ L ++ L DQG L 6HQDWU L ,QKRIHL PHQNLRHGL LW L LQ L KLV L
FRPPHQW L DL VLAWDALRQL LQ L 2NODKRPD L ZKHUL PXQWLSCH L RLO L DQG L JDVL
FRPSDQLHML &RGRFR3KLOOLSV L DQG L RWKHUML KDH L GHILDXGHGL WKH L WWDWHL L LQ L
FOHDQXS L ZWK L UHSHFW WR L VSLOOV L WKDW KDH L RFFXWHG L \$QG L ([[RQ L ORELO

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◀DK L LWW L D L TXL L WDP L IUDXGL FDMH L ,W L KDV L CRWKLQJ L WR L GR L ZWK L WKH L
HQYLURQPHQW

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6HQDWU L ,L ZRXOG L ++ L ,L ZRXOG L EHJ L WR L GLVDJUHH

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KWS ↑↑ ZZZ FT FRP GRF FRQJUHWLRQDOWDQFHULS "¶ ↑

SULQWVWUH ¶ + !!

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HUI3DJH^L + RI^L

,^L WKLN^L ZHU^L JRLQJ^L WR^L UHMUH^L WKDW^L IRU^L WKH^L VHFQG^L ++^L IRU^L WKH^L VHFQG^L URXQG^L

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2U^L ,PL VRW^L +HL ZDV^L FRPLQJ^L EDN^L WR^L PH^L L VR^L ,^L ZDV^L UHMSRQGLQJ^L 7KDN^L
IRX^L

%)\$55\$662 L

%HIRUH^L KHDGLQJ^L WR^L 6HQDWRU^L &DSLWR^L WKHUH^L DUH^L WR^L DUWLFCHV^L ,OO^L EH^L
LQWURGXFLQJ^L LQWR^L WKH^L UHFRUG^L RQH^L IRUP^L WKH^L :DOO^L 6WUHW^L -RXUQDO^L LQ^L
6HSWHPH^L KHDGOLQHG^L | +LOODU\ L &OLQWRQ^L 5DLVHV^L ORUH^L WKDQ^L 'RQDOG^L 7UXPS^L
IRUP^L 2LO^L ,QGXWUW^L |

7KH^L VHFQG^L DUWLFCHV^L WKDW^L ,OO^L EH^L LQWURGXFLQJ^L IRU^L WKH^L UHFRUG^L LV^L IRUP^L 3ROLWLRQ^L
IRUP^L 'HHPHEUL^L + WKR^L E\ L (CHQD^L 6KRUH^L ZKRL TXRWHV^L \$PHULFDQL 5LVLQJ^L ♂ VLF^L
([HFXWLYH^L 'LUHWRU^L %ULDQ^L 5RJHUV^L TXRWHV^L | 7KLV^L LV^L D^L SDUWLVDQ^L 1LVKLQJ^L
H[SHGLWRQ^L E\ L VL[L OLEHUDO^L 'HPRFUDW^L ZKRL FRPELGHG^L KOYH^L WDNHQ^L PRUH^L
AKDQ^L • ¶ □ + L PLOORQ^L IRUP^L IDU^L CHW^L HQYLURQPHQWDO^L JURXS^L GHG^L VHW^L DJDLQW^L DQ^L
UHIRUPV^L WR^L DQ^L RXW^L RI+ FRQWURO^L (3\$^L |

6HQDWRU^L &DSLWR^L

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7KDN^L IRX^L OU^L &KDLUPDQ^L DQG^L WKDN^L IRX^L \$MRUQH^L *HQHUDO^L 3UXLW^L IRU^L
EHILQJ^L KHUH^L IRU^L IRX^L ZLQLQJHW^L WR^L WKURZ^L IRX^L KDW^L LQ^L WKH^L ULQJ^L WR^L VHUMH^L ,GL
OLNH^L WR^L TXRW^L WKH^L UDQNLQJ^L PHPEH^L ZKHQ^L KH^L VDVL^L LWW^L KDUG^L ZRUN^L EHFDXVH^L
LW^L LV^L 7KH^L (3\$^L LV^L KDUG^L ZRUN^L

%W^L RQH^L RI^L WKH^L WKLQJV^L IRX^L VDLG^L UHDQ^L VVWXP^L PH^L DQG^L ,++^L ,L EHOLHYH^L WKDW^L WKH
UXCH^L RI^L OZL GRHV^L PDWPHU^L \$QSL^L ,PL KHDJWQHG^L E\ L IRX^L ++^L IRX^L SDUWLQJ^L IRU^L
AKDN^L 7KH^L LHJXODWRU^L RYHU+ UHDFK^L RI^L WKH^L (3\$^L KDV^L FRQWULEXWHG^L WR^L HFRQRPLF^L
GHYDWWDWLQJ^L LQ^L P\ L VWDWH^L RI^L :HWW^L 9LWJLQD^L LQ^L WKH^L ++^L LQ^L P\ L UHJLRQ^L

'DAD^L IRUP^L WKH^L OLQH^L 6DIHW^L DQG^L +HDWK^L \$GPLQLVWUDWLQJ^L VKRZV^L WKDW^L ! ! ! ! ! L
FRDOL MREV^L KOYH^L EHQ^L CRW^L EHWHQ^L !! ¶ ¶ L DQG^L !! ¶ ¶ + 7KRXDQG^L RI^L WKHM^L
DUH^L LQ^L :HWW^L 9LWJLQD^L LQ^L GHMSHLDWH^L VVWUDWLQJ^L LQ^L RXU^L VWDWH^L ULJKW^L QRZ^L
EHFDXVH^L RI^L WKLV^L

KWS ↑↑ ZZZ FT FRP GRF FRQJUHWLRQDOWDQFHULSW "¶ + SULQWVWUH ¶ + !!

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L +HUI3DJH^L + RI^L

:H^L KOG^L DL^L ILHOG^L KHULQJ^L LQL %HFNCV[¶] L :HW^L 9LUJLQD[¶] L ZKHU^L RXU^L :98^L
HFRQRPLW[¶] L -RKQ^L 'HMNLQ[¶] L VDLG^L WKDW^L WKH^L FRDOL^L LGQXWU^L GRZQWUQ^L KDG^L
UHMXOWHG^L LQL DL^L VL^L MK^L RI^L RXU^L 6RXWKHLQ^L :HW^L 9LUJLQD^L FRXQWLHV^L EHLQJ^L LQL DL^L
JUHDW^L GHSUHMLRQ[¶]

)RU^L WKH^L SDWW^L HJKW^L \HDUV[¶] L WKH^L (3\$V^L JLYHQ^L QR^L LGGLFDWLRQ^L DW^L DQO^L WKDW^L LW^L FDUHV^L
DERXW^L WKH^L HFRQRPLF^L LPSDW^L RI^L LW^L SROLFLHV[¶] L (YHQ^L WKRXJK^L &RQJUHW^L KDV^L
VDLG[¶] L YHUV^L FODUO[¶] L LQL WKH^L &CHDQ^L \$LU^L \$FW[¶] L DQG^L RAKHUL^L HQYLURQPHQW^L WDWWH[¶] L
WKDW^L ZH^L H[SHW^L MREV^L DQG^L HFRQRPLF^L IDFWRUV^L WR^L EH^L WDNHQ^L LQAR^L DFFRXQW^L ++ L
WKDW^L SDWW^L RI^L WKH^L ODZ[¶] L LQL 2FWAREHU[¶] L DL^L IHGHUDO^L FRXUW^L KHQG^L WKDW^L WKH^L (3\$^L KDG^L
IDLOHG^L WR^L HYDOXDH^L WKH^L MRE^L LPSDW^L WR^L WKH^L (3\$^L &CHDQ^L \$LU^L \$FW[¶] DV^L UHTXLUHG^L EV^L
T^L ¶ D^L RI^L WKDW^L DFW[¶] L DQG^L RUGHUHG^L WKH^L (3\$^L WR^L VXEPLW^L DL^L VFKHGXCH^L IRU^L
FRQGXWLQJ^L WKHMH^L HFRQRPLF^L ++ L WKH^L UHTXLUHG^L MREV^L DQDO\VLV[¶]

,QFHGLEO[¶] L WKH^L (3\$^L WRQG^L WKH^L FRXUW^L LW^L ZRXOG^L WDNH^L WR^L \HDUV^L ++ L WKLV^L ZDV^L MXW^L
AKLV^L SDWW^L ++ L LW^L ZDV^L MXW^L LQL WKH^L ODWW^L VHYHUDO^L ZHNV[¶] L LW^L ZRXOG^L WDNH^L WR^L \HDUV^L
VXW^L WR^L FRPH^L XS^L ZIWK^L DL^L SDQ^L RQ^L KRZ^L WR^L GR^L WKH^L DQDO\VLV[¶] L ZKLFK[¶] L LQL P^L
YLHZ[¶] L L^L WKDW^L SDWW^L RI^L WKH^L ODZ^L WKDW^L (3\$V^L VXSSRMHG^L VR^L EH^L IROORZLQ[¶] L WKH^L
VKRXOG^L DOUDG^L KDYH^L WKH^L SURARFROV^L VHW^L XS^L WR^L GR^L HI^L IHRALYH^L DQG^L DFFXUDW^L
VRE^L DQDO\VLV[¶]

6R^L WKH^L FRXUW^L UHMSRQH^L OLNH^L WKLV[¶] L | 7KLV^L UHMSRQH^L LV^L ZKROO[\] L QHII LFLHQW[¶] L
XQDFHSNDEOH^L DQG^L XQQHFMDUV[¶] L ,W^L HYLGHQFH^L WKH^L FRQNLQXHG^L KRVNLOLW^L RQ^L
WKH^L SDWW^L RI^L WKH^L (3\$^L WR^L WKH^L DFFHSNDFQH^L RI^L WKH^L PLWLRQ^L HWDEOLVKHG^L EV^L
&RQJUHW[¶] |

6R^L , L ZRXOG^L DW^L ++ L OLNH^L WR^L DVL^L \RX^L WR^L FRPPLW^L WR^L PH^L WKDW^L ++ L WR^L HQXUH^L WKDW^L W^L
(3\$^L ZLOO^L IROORZ^L WKH^L ODZ^L LW^L LV^L FKDQJHG^L ZIWK^L LPSOHPHQWLQ[¶] L DQG^L GR^L WKRVH^L
RQJRLQJ^L HYDOXDWLRQ^L RI^L MRE^L ORWHV^L DQG^L HFRQRPLF^L VKLMW^L GH^L WR^L WKH^L
UHTXLUHPHQW^L RI^L WKH^L DFW^L DV^L UHTXLUHG^L EV^L WKH^L ODZ[¶]

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6HQDWRU[¶] L DV^L \RX^L LGGLFDWHG[¶] L , L UHDOO[\] L EHOIHYH^L WKDW^L LW^L LPSRUWDQW^L WKDW^L UXCH^L RI^L
ODZ^L LV^L DGKHUHG^L WR[¶] L EHFDXW^L LW^L LQVSLUHV^L FRQILGHQFH^L LQL WKRVH^L WKDW^L DUH^L
UHJXODW^H^G L , L WKLQN[¶] L RMHQNLPHM[¶] L WKRVH^L WKDW^L DUH^L UHJXODW^H^G GRQW^L NQRZ^L ZKDW^L
H[SHW^H^G L RI^L WKH[¶]

7KH[\] L ORRN^L DW^L DL^L WDWWH[¶] L 7KH[\] L VHH^L WKH^L UHTXLUHPHQW^L RI^L WKH^L WDWWH[¶] L \$QG^L
AKHQ^L WKRVH^L WKDW^L DUH^L UHJXODW^L DFW^L LQL DL^L ZD\ L WKDW^L GRW^L FRQVLW^H^G ZIWK^L WKDW^L
IUDPHZRUN[¶] L \$QG^L VR^L WKH^L GRQW^L NQRZ^L ZKDW^L H[SHW^H^G L RI^L WKH[¶] L DQG^L WKDW^L
FDXVHV^L XQFHJWDLQ[¶] L DQG^L , L WKLQN[¶] L SDUDOV\VLV[¶] L WR^L DL^L FHJWDLQ^L GHJUHH[¶]

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L +HUI3DJH^L + RI^L

6R^L UXCH^L RI^L ODZ^L LV^L VRPHWKLQJ^L WKDW^L ZH^L VKRXOG^L WDNL^L VHULRXVO^L, ,WW^L EHQL DW^L
AKHL KHDW^L RI^L WKHL QWLJBDALRQ^L WKDW^L ZH^L KOYHL LQWLWDHG[¶] L DV^L DL^L WDWH[¶] L \$L CRW^L RI^L WLPHM
AKHMH^L FDWM[¶] L DV^L ZH^L ZHUH^L WDNLQJ^L HDUOLH^L ZIWK^L GHODARU^L &DUSHU[¶] L WKHLHV^L DL^L
SROLF^{\L} RU^L SROLWLFDO^L NLQGL^L RI^L DWKDWLRQ^L WKDW^L GUZQ^L WR^L LM^L

%XW^L LW^L UHDQO^{\L} LV^L DERXW^L SURFH^L DQG^L UXCH^L RI^L ODZ[¶] L DQG^L PDNLQJ^L VXUH^L WKDW^L WKH^L
IUDPHZRUN^L WKDW^L WKLV^L ERG[¶] L &RQJUHW^L KDV^L HWDEOLVKHG[¶] L LV^L UHVSHW[¶] L DQG^L
HQIRUFH[¶] L \$QG^L VR^L, L DSSUHFLDWH^L \RXU^L FRPPHQW^{\L}

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:HO[¶] L LQ^L ORNLQJ^L IRU^L WKHL EDODQFH[¶] L ZH^L CHGL WR^L KOYHL ++ L ZH^L CHGL WR^L KOYHL DW^L
GDWM^L DL FRUHW^L DQDOWLV^L RI^L ZKDW^L WKHL ++ L WKHL HFRQRPLF^L LPSOLFDALRQ^L DUH^L RI^L
UHJDODALRQ^{\L}

,WW^L VR^L LPSRUWDQW[¶] L DQG^L FULWLFDO^{\L} LPSRUWDQW^L WKDW^L ZH^L HQIRUFH^L RXU^L
HQYLURQPHQWDO^L ODZ[¶] L DQG^L WR^L FRQNLQXH^L WR^L NHIS^L RXU^L DLU^L FQHDL DQG^L RXU^L ++ L JHW^L
LW^L FQHDL DQG^L SURAH^L RXU^L ZDWHU^{\L} ,Q^L -DQXDU^L RI^L !! ¶ + * L DL VWRUDJH^L WDQ^L LQ^L
&KOUDHMRQ[¶] L :HWW^L 9LUJLQD[¶] L ZDVL FRUUXSWHG^L DQG^L LW^L ZH^L LQWR^L WKHL ULYHU^{\L}

,W^L ZDVL ULJKW^L E\ L WKHL ++ L WKHL ZDWHU^L TORZ^L RI^L WKHL ++ L WKHL PDWRU^L ZDWHU^L VRXUFH^L LQ^L
P\ L FRPPXQLW^{\L} L 7KUH^L KXQGUHG^L WRXV^L DQG^L SHRSCH^L KDG^L WR^L GR^L ZIWKRAW^L ZDWHU^L
IRU^L VHYHDO^L ZHNV^{\L} L ,W^L FDXVHG^L DL CRW^L RI^L DQJWW[¶] L HFRQRPLFDO^{\L} L WR^L VPDOO^L
EXVLQHWHV^{\L} L ,PDJLQH^L DL UHWDXUDQW^L CRW^L EHLO^L DECH^L WR^L XH^L ZDWHU[¶] L RU^L \RX^L
FDQW[¶] L \RX^L NQRZ[¶] L ZDVK^L \RXU^L FORAKH^{\L} L <RX^L FRXOGQW^L GR^L DQWKLQJ^L ZIWK^L WKHL
ZDWHU^{\L}

%XW^L DOVR^L ++ L DQG^L ++ L DQG^L, L WKDUH^L WKLV^L FRQFHQ^L ++ L FRQFHQ^L DERXW^L WKHL KHDWNL^L
DQG^L WKHL CRQJ^L UDQJH^L LPSOLFDALRQ^L RI^L ZKDW^L KDSHHS[¶] L VHYHDO^L SHRSCH[¶] L
PXOWLSC^L LQGLYLGXDO^L DQG^L)UHGRPL^L, QGXWULHV^L KOYHL SCHG^L JXLQW^L LQWR^L
HQYLURQPHQWDO^L FULPHV^L LQ^L IHGHUDOL^L FRXUW[¶] L ZKLFK^L, P^L YHU^L SCHDHG^L DERXW^{\L}

6R^L CHAW^L WDNL^L DERXW^L 76&\$[¶] L EHFDXVH^L LQ^L 76&\$[¶] L, L ZDVL DECH^L WR^L VXSSRUW^L DL
SURYLVRQ^L WKDW^L ZRXOG^L VD^L L WKDW^L LI^L \RX^L ++ L LI^L \RXUH^L WRULQJ^L LQ^L FORW^L SUR[LPIM^L
AR^L GULQNLQJ^L ZDWHU[¶] L \RX^L KOYHL WR^L WDNL^L WKDW^L LQWR^L FRQVLGHUDALRQ^L ZKHQ^L \RXUH^L
UHYLHZLQJ^L SRWQALDOO^L KDJDUGRXL^L FKHPLFDO^{\L}

&DQ^L ZH^L FRXQW^L RQ^L \RX^L WR^L ZRUN^L ZIWK^L WKLV^L FRPPLW^H^L WR^L PDNL^L VXUH^L WKDW^L WKLV^L
ELSDUWLDQ^L 76&\$^L UHIRUP^L ELOO^L LV^L IXOO^{\L} L PSOHPHQW[¶] L DQG^L HIIFLFHQ^{\L} L DQG^L
IXOO["]

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KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLRQDQWDFQWULSAW "¶" + SULQWVW^H ¶ + !!

&4◀ FRP↑6HQDWHL (QYLURQPHQW L DQGL 3XEOLF L :RUNV L &RPPLWHL +ROGV L +HUI3DJHT L RI L

\$EVROXWD** L 6HQDWU** L ,Q L IDFW** L , L ZRXOG L FRPPHQG L WKH L ZRUN L RI L WKLV L
FRPPLWHL** L ZLWL L 6HQDWU L ,QRIHV L CHDGHUMKLS** L LQ L SDWLQJ L WKDW L XSGDWHL WR L
WKH L 76&\$ L CHJLVODALRQ** L)RU L WKH L ILLUW L WPH L LQ L KLWWRU** L DVL \RX L NQRZ** L WKH L (3\$ L
KDV L WKH L DELOLW L WR L RUGHUL WHWALQJ L WR L DGDUHW L FKHPLFDOV L WKDW L DUH L JRLQJ L WR L EH L
HQWHUHG L LQAR L WKH L VWHDP L RI L FRPPHUF**

\$QGL WKDW L DL YHU** L ELJ** L VXEWDQWLYH L FKDQJH L WKDW H[LVW** L 7KHUH L DUH L PDQ** L
GHDGOLQH** L \$QG** □ □

&\$3,72 L

\$QGL , L ZRXOG L DOVR L DGG** L WKDW L LQ L 76&\$ L + + L H[FXVH L PH L MXW L DL PLQXWH** L EHFDXVH L
, P L UXQQLQJ L RXW L RI L WPH** L ,Q L 76&\$** L ZH L DFWKDOO L H[SDQGHG L WKH L (3\$V L
UHDFK**

6R L ZKHQ L \RXUH L DMHG L LI L \RX L + + L L L + + L L L \RXUH** L \RX L NQRZ** L ZDQNLQJ L WR** L \RX L
NQRZ** L JHW L ULG L RI L WKH L (3\$ L RUL LW GRHMQW KDYH L DL YDOXH** L ZH L + + L , L YRWHG L WR L
H[SDQG L WKDW UHDFK L RI L (3\$ L WR L PDNH L VXUH L WKDW L , L KDYH L FCHDQL ZDWHU** L DQGL
WKDW L VSLOO L KOSHHQV L LQ L DL FRPPXQW L DURXQG L WKLV L FRXQWU** L RU L ZKDW L
KOSHHQHG L LQ L)OLQ** L OLFKLJDQ** L GRHMQW KDYH L WKH L IDU UHDFKLQJ L LPSOLFDALRQV L
WKDW L LW GRHM** L 7KDN L \RX L YHU** L PXFK**

358,77 L

7KDN L \RX** L 6HQDWU**

%\$5\$662 L

6HQDWU L &DUGLQ**

&\$5',1 L

7KDN L \RX** L OU** L &KDLUPDQ** L OU** L 3UXLWW** □ □

358,77 L

*RRG L PRUQLQJ**

&\$5',1 L

◀ □ □ L ZHORPHL WR L WKH L FRPPLWHL** L 7KDN L \RX L IRU L \RXU L ZLOOLQJHW L WR L VHUYH L
RXU L FRXQWU**

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPPLWTH^L +ROGV^L +HUI3DJH^H ! RI

, L ZDQW WR L WDN^L DERXW WKH^L &KMDSHDNH^L %D\ L 3URJUDP[¶] L :H^L WDNHG^L DERXW WKDW^L
LQL PVL RI ILFH[¶] L , L H[SODLQHG^L WR L \RX[¶] L DQG^L ,OOL GR L LW YHU^L TXLFN[¶] L WKDW WKLV^L LVL D
SURJUDP^L WKDW ZDV^L GHYHORSHG^L DW WKH^L WDNH^L CHYH[¶] L ZLNK^L WKH^L WDNH^L WKDW DUH^L LQL
WKH^L ZDNH^L WKH[¶] L LQFOXGLQJ^L 'HODZDUH[¶] L ZLNK^L PVL FROHDJXH[¶] L 6HQDWRU^L &DUSHU[¶]

,WL WKH^L WDNH^L WKDW WKH^L ORFDOL KYH^L GHWUPLQHG^L KRZ^L LWL EHW^L WR L UHDFK^L WKHLU^L
SROOXWLRLQ^L WDNH[¶] L LQL RUGH^L WR L KHO^L SUHMUH^L WKH^L &KMDSHDNH^L %D\ L ,WL WKH^L
ODWJHW^L HWKDU^L LQ^L WKH^L CRWKLQJ^L KHLVSKH[¶] L ,WL FULWLFDO^L LPSRUWDQW[¶] L ,WL
FRPSOLFDWHG[¶] L GRHM^L IOXVK^L LWLHOI^L DVL ++ L DVL PDQ^L ERGLHV^L RI L ZDNH^L GRHM[¶] L ,WL
KOV^L D L UHGXFWLRQ^L RI L RWKHU^L FURSV[¶] L 7KHUHV^L VR L PDQ^L SURECHPV[¶]

\$OO^L WKH^L WDNH^L KROGHU^L KYH^L JRWHQ^L WRJHWKH[¶] L 7KHVYH^L ZRUNHG^L RXW^L D L SODQ[¶] L
7KH^L IHGHDOL JRYH^L QPHQW^L LV^L SDUW^L RI L WKDW SODQ[¶] L ,WL HQIRUFHG^L WKURXJK^L WKH^L
70' / L SURJUDP[¶] L DQG^L LW L KOV^L EHQ^L DJUH^L WR L E L WKH^L ORFDOL JRYH^L QPHQW[¶]

,W ZDV^L FKDOOHQJHG[¶] L WKH^L 70' /V[¶] L LQFOXGLQJ^L ++ L \RX^L MRLQHG^L WKDW ODZVXW[¶] L 7KH^L
6XSUHPH^L &RXUW UHIXVHG^L WR L RYH^L WKH^L FRXUW^L RI L DSSHDO^L VSSRUW^L QJ^L WKH^L
XH^L RI L WKH^L 70' /V[¶] L , L \RX^L DJH^L FRQI^L LUPHG[¶] L ZLOO^L \RX^L VSSRUW^L WKH^L IHGHDOL URCH^L
LQL WKH^L &KMDSHDNH^L %D\ L 3URJUDP[¶] L DVL HQYLVRQHG^L E L WKH^L SDUW^L WKDW^L DQG^L
WDNH^L KROGHU[¶] L LQL HQIRUFQJ^L WKH^L 70' /V[¶] L L L QHFMWU[¶]"

358,77 L

<HM[¶] L 6HQDWRU[¶] L \$QG^L DVL , L LQGLFDWHLQ^L LQ^L RXU^L RI ILFH[¶] L LQ^L RXU^L WLPH^L ++ L WKH^L WLPH^L WKD^L
ZH^L KOG^L WRJHWKH[¶] L , L UHDOO^L FRPPHQG^L WKH^L VL^L WDNH^L WKDW MRLQHG^L WRJHWKH^L WR^L
DGGUHW^L WKH^L &KMDSHDNH^L %D\ L DQG^L WR L WU^L WR L VHW^L D L OHMOL IRU^L ERAK^L SRLQW^L
VRXUFH^L DQG^L QRQ^L SRLQW^L VRXUFH^L WSH^L RI L GLVFKOUJH^L LQWR^L WKH^L &KMDSHDNH^L
%D\ L

7KHUH^L ZHUH^L VRPH^L FRQFHQW^L DERXW WKH^L SUHFHQW[¶] L WKH^L URCH^L WKDW (3\$ L ZDV^L
SOD\ LQ[¶] L LQWLDOO[¶] L %W WKURXJK^L WKDW OLWJDWLQ[¶] L WKH^L (3\$ L KOV^L DFNQRZHQJHG^L
WKH^L WKHLU^L URCH^L LV^L PRUH^L LQIRUPDWLRQDO[¶] L \$QG^L ++ L DQG^L WKH^L ZDV^L FRQFHQ^L LQ^L
2NOOKRPD^L DERXW WKH^L OLWLWLSSL^L 5LYHU^L %D\ LQ[¶] L DQG^L WKH^L SUHFHQW^L WKDW^L
ZDV^L VHW^L LQ^L WKDW PDWPHU[¶] L DQG^L WKDW^L ZDW^L VSDZHG^L RXU^L OLWJDWLQ[¶]

%W , L UHDOO^L ZDQW WR L HPSKOMJHL^L WR L \RX[¶] L WKDW SURFHUV^L UHSUHMHQW^L ZDW^L
VKRXOG^L RFFXU[¶] L)RU^L WDNH^L WR L MRLQ^L WRJHWKH[¶] L DQG^L HQWHL^L LQWR^L DQ^L DJUH^L QPHQW^L WR^L
DGGUHW^L ZDNH^L TXDOLW^L LWXHM[¶] L DQG^L WKHQ^L LQYROYH^L WKH^L (3\$ L WR L VHUYH^L WKH^L URCH^L
LW L VSSRUW^L WR L VHUYH[¶] L LV L VRPHKLQJ^L WKDW VKRXOG^L EH^L FRPPHQHG^L DQG^L
FRQHEUDWHG[¶]

\$QG^L DV^L LW L UHDOH^L WR L HQIRUFQJ^L WKDW 70' /V[¶] L , L FDQ^L FRPPPLW WR L \RX^L WKDW^L LQ^L
IDFW[¶] L , L ZLOO^L GR^L VR[¶]

KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUHWLRQDOWDQFULSW "¶" L

SULQWWUXH

¶ ¶ !!

&4◀ FRP‡6HQDWHL (QYLURQPHQWL DQGL 3XEOLF L :RUNV L &RPPLWHL +ROGV L +HUI3DJH L ¶ RI L

&\$5', 1 L

3DWW RI L WKH L IHGHUDOL JRYHUQPHQWL SDUWCHUMKLS L LV L WR L SURYLGHL UHMRXUHW L
7KHUHL DUH L VHYHUDO L SURJUDPV L WKDW L XQGL L LQWLDWLYHV L ZLWKLQL WKH L &KHMDSHDNL
%DL ZDWHUWKHG L 3UREDEO L WKH L ODWHHW L LV L WKH L WDWHL UHYROYLQL J XQGV L GH-DOLQL L
ZLWKL ZDWHUZDWHU

:LOD L \RX L VXSRRUW WKH L IHGHUDOL JRYHUQPHQWL SDUWCHUMKLS L WKLRXJK L XQGLQL J L
AKHMHL SURJUDPV L WKDW DUH L FULWLDOO L LPSRUWDQW WR L PDNH L WKH L DGYDQFHPHQWL
LQ L WKH L &KHMDSHDNL %DL ZDWHUWKHG"

358,77 L

4H M L 6HQDWRL L , L EHOLHMH L WKDW WKH L JUDQW PDNLQL URCH L RI L WKH L (3\$ M L DV L ZH L
ADONHG L DERXW L QL \RXUL RI L FH L L L YHUV L LPSRUWDQW WR L WDWHL DFLRW L WKLVL
FRXQW M L ZKHWKHU L LWL WKH L UHYROYLQL J XQGV M L RU L WKH L : , \$ L SRUWLRQV L RI L RXUL
WDWWHM M L EXW JUDQW PDNLQL M L QL JHQHUDO M L LV L YHUV L LPSRUWDQW L DQGL , L ZLOO L
FRPPLW WR L \RX L LQ L WKDW UHJDUG L WKDW ++ L WKDW ++ L ZRXOG L ++ L , L ZRXOG L GR L VR M L
UHMSHHW WR L WKH L &KHMDSHDNL %DL

&\$5', 1 L

, L ZDOW WR L FROWLOXH L RQL FOHDQL ZDWHU L IRU L RQH L PRPHQWL :HYH L KDG L VLJQL L FDQW
SUREOHPLV L ZLWKL VDIHL GULQNLQL ZDWHU L DQGL FOHDQL ZDWHU L 7KH L ++ L CHW PH L DVN L
\RX L SUHOLPLQDU L TXHMLRQ L 'R L \RX L EHOLHMH L WKH L LV L DQV L VDIHL CHMHO L RI L CHDG L
AKDW FDQL EH L WDWHQ L LQWR L WKH L KXPDQL ERGV M L SDUWFXODU L D L \RXQJ L SHURQ"

358,77 L

6HQDWRL L WKDW L VRPHWKLQL JYL CRW UHYLHZHG L QRL ++ L QRL NQRZ L DERXW L , L ++ L , L
ZRXOG L ++ L , L ZRXOG L EH L YHUV L FRQFHQHGL DERXW DQV L CHMHO L RI L CHDG L JRLQL L LQWR L
AKHL GULQNLQL ZDWHU L RU L LQ L ++ L REYLRXVO M L KXPDQL FRQWPSALRQ L %W , YH L CRW
ORRNHG L DW WKH L VFLHQW L LFL UHMHDURK L RQL WKDW

&\$5', 1 L

7KH L 8CHDQL :DWHL \$W SURYLGHL IRU L D L IHGHUDOL JXLGQFH L DV L WR L DFFHSWDECH L
FOHDQL ZDWHU L , W L HQIRUFHGL E L WKH L WDWHL 6R L P L TXHMLRQ L WR L \RX L LQ L
UHJDUG L WR L FOHDQL ZDWHU L LV L ZKDW WHSV L ZLOO L \RX L WDNL WR L PDNH L VXUHL WKDW RXUL
FKLOGUHQ L DUH L VDIH"

&4 FRP 6HQDWH (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPLWVH L +ROGV L +HUI3DJH L RI

:H L VDZ L LQ L)OLQW L OLFKLJDQ L D L WUDJHG L RFFXU L :KHUH L GR L \RX L WKLN L WKH L
IHGHUDO L JRYHUQPHQW QHGVL WR L WUHQWKHQ L LW L UHJXODRU L URCHM L WR L PDNL
VXUH L WKDW RXUL FKLOGUHQ L DUH L VDIHL IURPL ++ L IURPL CHDG"

358,77 L

:HOD L , L WKLN L ZLW L)OLQW L OLFKLJDQ L LW L DQ L H[DPSCH L RI L ++ L RU L GRW L ++ L DL GHOD
UHVSQMH L E\ L WKH L (3\$ L 7KHUH L VRXOGL KDH L BHQ L PRUH L GRH L RQ L FRUVRMLQ L
FRQNUROL SURJUDPV L ZLW L WKH L)OLQW L OLFKLJDQ L V\WHP L \$V L \RX L NORZ L XQGHU L
AKH L &HDQ L :DWHU L \$FW L DQ L WKH L 6DILH L 'ULQNLQJ L :DWHU L \$FW L LI L WKHUHV L DQ L
HPHUJHQF \ L VWDWDLRQ L WKH L (3\$ L FDQ L HQWHU L DQ L ++ L DQ L HPHUJHQF \ L RUGHU L WR L
DGGUHW L WKRVH L NLQGV L RI L FRQFHUQV L

, L WKLN L WKHUH L VRXOGL KDH L BHQ L D L PRUH L IDWW L UHVSQMH L D L PRUH L ++ L DL PRUH L
UDSLG L UHVSQMH L WR L)OLQW L OLFKLJDQ L , L WKLN L UHSHFW WR L ZDWHU L TXDOLW L LW
LV L ++ L LW L LV L LQIUDWUXFWXUH L :DWHU L LQIUDWUXFWXUH L LV L LPSRUWDQW L \$QG L ++ L DQ G L DV L
\RX L LQGLFDWHG L WKH L WWDWHV L SOD \ L D L YHU L YLWDOL URCH L LQ L WKDW SURFHUV L \$QG L WKHUH L
QHGVL WR L BH L PRUH L FRSHUDWLQ L BHZHQ L WKH L (3\$ L DQ L WKH L WWDWHV L WR L
HQXUH L ZDWHU L TXDOLW L LV L SURFHUVH L

&\$5', 1 L

-XW L VR L , L XQGHUW DQ L LW L \RX L KDH L TLOHG L DQ G L SDUWFLSDWHG L LQ L VHMUDO L
ODZVXW L DJDLQW L WKH L (3\$V L LQYROYHFW L VD L LQJ L WKDW WKH L CRDOV L VRXOGL
KDH L WKH L UHVSQMELOLW L , L \RX L DUH L FRQI LUPHG L ZLQ L \RX L VSSRUW L IHGHUDO L
HQIRUFHFW L SDUWFLSDWHG L LQ L PXOWL WWDWHV L LWXHV L ZKHUH L WKH L RQO L ZD V L ZH L
FDQ L JHW L HQIRUFHFW L LV L DW WKH L IHGHUDO L OHMO"

358,77 L

, L EHOLHYH L WKDW LV L DL YLWDOL URCH L RI L WKH L (3\$ L DV L , YH L LQGLFDWHG L LQ L \RXU L RI L FH L L
ZLW L DLU L TXDOLW L ZDWHU L TXDOLW L LWXHV L DFURWL WWDWHL OLQH L 7KHUH L LV L DQ L
HQIRUFHFW L PHFKDQLVP L WKDW LV L LPSRUWDQW L \$QG L ++ L DQ G L ZRQG L VHN L WR L GR L
VR L LI L FRQI LUPHG L DV L (3\$ L DGPLQLWUDWRU L

&\$5', 1 L

7KDQNL \RX L

%\$5\$662 L

7KDQNL \RX L 6HQDWRU L &DUGLQ L

&4 FRP 6HQDWH (QYLURPHQW DQG 3XEOLF :RUNV &RPPHWLH +ROGV +HUI3DJH + RI

6HQDWHU)LVFKHU

,6&+(5

7KDN L \RX L OUK L &KDLUPDQ L DQG L WKDN L \RX L OUK L 3UXLW L IRU L EHLQJ L KHLH L
ARGD\ L EXW DOVR L IRU L DFFHSALQJ L WKL QRPLGDALRQ L ,W + + L LW LV L DL VHULFH L DQG L DL
VDFUL LFH L QRM MXW L IRU L \RX L EXW IRU L \RXUL IDPLO\ L DV L ZHOU L WR L WHS L IRUZDUG L VR
VHJYH L WKL VFRXQWU L 6R L WKDN L \RX L VLUL IRU L

358,77

7KDN L \RX L 6HQDWHU

,6&+(5

◀◀◀ L EHLQJ L ZLQOLQJ L WR L GR L WKDN L)RUL \RXUL WHMMLPRQ\ L , L GR L WKDN L \RX L \$QG L , G L
OLNH L WR L ILUW L RI L DOO\ L CHW L \RX L NQRZ L WKDN L 1HEUDNDQ\ L WKHYH L EHQL UHDQ\ L
DI IHRWHL E\ L WKL (3\$ L LQ L PDQ\ L LQWWDQFH M L DQG L , L ZLQ L JLYH L \RX L VRPH L
H[DPSOH L RI L WKDN

1HEUDNDV L SXEOLF L SRZHU L XALOLWHL DUH L JUDSSOLQJ L ZLW L KRZ L WKH L FRXOG L HYHU L
FRPSO\ L ZLW L WKH L (3\$V L FDUEQ L HPLWLRQ L UHGXFALRQ L PDQGDWHM L 7KH L &LW L RI L
2PDKD L LV L WLUJXJOLQJ L ZLW L WKH L DJHQF\ L H[SHQVLYH L &62 L PDQGDWH M L DQG L
GULQNLQJ L ZWHLJ L DI IRUZDELOM

1HEUDND L IDUPHUV L DUH L ZDWLQJ L RQ L QHZ L FURS L WHFKGRORJ\ L SURGXFW L WKDN L DUH L
WKFN L LQ L DL EURNHQ L UHJXODWHU L SURFHUV L 2XU L ELIXHOL L QYHWRUV L DQG L
SURGXFWUV L DUH L GHMSHLWHL IRU L FHWDQW L XQSHU L WKH L 5)6 L +RPHEXLOGHUV L
AIDQVSRUJNDLRLQ L WDNHKROGHUV L DQG L CRFDOL FRXQW L RI L LFDOV L DUH L FRQFHUGHG L
DERXW WKH L MAULVGLFWLRQDO L H[SDQMLRQ L WR L FRQMLRO L RXU L WDNHV L ZWHLJ L UHMRXUFHV

&RPPXQWLHV L DQG L VPDOO L EXVLQHW L RZCHUV L IHU L WKDN L WKH L (3\$V L R]RQH L
PDQGDWH L ZLQ L WQW L SRWHQALDO L HFRQRPLF L GHYHORSPHQW L DQG L JURZL L LQ L RXU L
WDNHV L \$V L DL UHMW L RI L WKH L DFWLYLWW L UROH L WKH L (3\$ L KDV L SOD\HG L IRU L WKH L SDW L
HLJKW L HDM\ L IDPLOLHV L DUH L FRQFHUGHG L DERXW WKH L IXAXUHV L RI L WKH L OLYHOLKRRG

:H L DOO L ZDQW L FQHDQL DLW L <RX L NQRZ L ZH L DOO L ZDQW L FQHDQL ZWHLJ L 7KDN L LV L RQH L
SRQW L WKDN L , L NQRZ L HDFK L DQG L HYHU L SHUWRQ L KHLH L DJUHV L RQ L %W L ZLW L WKH L
(3\$V L WUHPHQGRXV L LPSDFW L RQ L \$PHLFQV L OLYHM L HDFK L DQG L HYHU L GD\ L LW L LV L
LPSRUJDQW L WKDN L WKH L DJHQF\ L EH L RSHQ L WUDQVSDUHQW L DQG L DQVZHUECH L IRU L LW L
DFWLRQV

&4 FRP[†] 6HQDWL (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWTH^L +ROGV^L +HUI3DJH^H + RI^L

*LYHQ^L WKMH^L FRQFHUQW[¶] L DORQJ^L ZIWK^L WK^L PDQ\ L RAKHUV^L WKDW^L KDYH^L EH[¶] Q^L DQG^L
ZLOO^L FRQWLOXH^L WR^L EH^L GLVFXWHG^L WRGD[¶] L ZKDW^L WHSV^L ZLOO^L \RX^L WDNH[¶] L DV^L WKH^L
(3\$^L DGPLQLWLDARU[¶] L WR^L SURYLG^L UHOLHI^L IRU^L \$PHULFDQ^L IDPLOLHM[¶] L WKDW^L DUH^L
IDFHG[¶] L WUXO[¶] L ZIWK^L DQ^L RQMODXJKW^L RI^L (3\$^L UXCH["]

358,77 L

6HQDWL^L \RX^L PHQALRHG^L RSHQ[¶] L WUDQVSDUHQW^L UXCHPDNLQJ[¶] L 7KHUH^L DUH^L
FRQFHUQ^L WKDW^L KDYH^L EH^L H[SLUHWHG^L UHFHQW[¶] L ZIWK^L ++ L ZIWK^L UHSHFW^L WR^L
UHJXODWLRLQ^L WKURXJK^L OIWJDALRQ[¶] L ZKHUH^L JURXSV^L LQWLWDW^L OIWJDALRQ^L DJDLQW^L WKH^L ++ L
WKH^L (3\$^L DQG^L WKH^L 8QWHG^L 6ADWHV^L JRYHUQPHQW[¶] L DQG^L VHW^L HQYLURQPHQWDO^L
SROLF\ L WKURXJK^L VRPHWKLQJ^L FDOOHG^L D^L | VXH^L DQG^L VHWCH[¶] L SURFH[¶]

, L WKLN^L WKLV^L ERG[¶] L DV^L ZHOO^L DV^L WKH^L 8^L 6^L +RXH[¶] L KDYH^L ORRNHG^L DW^L WKRVL^L NLQGV^L
RI^L LWXHV[¶] L \$QG^L ZKHQ^L ZH^L WDNL DERXW^L RSHQ^L WUDQVSDUHQF[¶] L WKHUHV^L DL UHDVRQ^L
ZK^L WKH^L \$GPLQLWLDALYH^L 3URFHGXHV^L \$FW^L H[LVW[¶] L ,W^L LVL^L LQHQQHG^L WR^L SURYLG^L
QRALFH^L WR^L WKRVL^L WKDW^L DUH^L JRLQJ^L WR^L EH^L LPSDFW^L ZIWK^L UXCH[¶] L WR^L JLYH^L WKH^L DQ^L
RSSRUWQDWM^L WR^L RI^L IHU^L FRPPHQW[¶] L DQG^L ++ L DQG^L WR^L LQIRUP^L WKH^L UHJXODARU^L RQ^L WKH^L
LPSDFW^L RI^L WKRVL^L UXCH[¶]

\$QG^L WKHQ^L LWW^L WKH^L REOLJDALRQ^L RI^L WKH^L UHJXODARU^L WR^L WDNH^L WKRVL^L WKLQJV^L LQNR^L
FRQVLGHUWLRLQ^L LQ^L TLDOL]LQJ^L UXCH[¶] L 2WKHZLVH^L WKH^L DRW^L LQ^L DQ^L DUELWUDU^L DQG^L
FDSULFLRXV^L ZD[¶] L \$QG^L VR^L LWW^L YHUV^L LPSRUWDQW^L WKDW^L WKDW^L SURFH^L EH^L DGKHUHG^L
AR[¶] L WR^L JLYH^L YRLFH^L WR^L DOO^L \$PHULFDQ[¶] L LQ^L EDDQFLQJ^L WKH^L HQYLURQPHQWDO^L
REMHWLYHV^L ZH^L KDYH[¶] L EXW^L DOVR^L WKH^L HFRQRPLF^L KOUP^L WKDW^L UHMXQW[¶]

\$QG^L WKH^L 6XSUHPH^L &RXUW^L KDV^L VSRNHQ^L DERXW^L WKDW^L UDWHU^L FRQVLWHQW[¶] L RI^L
CDWH[¶] L \$QG^L , L ZRXOG^L VHN^L WR^L CHDG^L WKH^L (3\$^L LQ^L VXFK^L D^L ZD[¶] L WR^L HQVXUH^L WKDW^L
RSHQHWM^L DQG^L WUDQVSDUHQF[¶]

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\RX^L NQRZ^L WKH^L ++ L D^L FRXSCH^L RI^L ZHNV^L DJR[¶] L ZH^L KDG^L D^L ++ L , L WKLN^L ZH^L KHQG^L D^L
YHUV^L JRRG^L FRQMHUWLRLQ^L DERXW^L RXU^L VDQH^L YLVLRLQ^L IRU^L WKH^L (3\$^L L WR^L EULQJ^L
FRPRRQ^L VHQW^L DQG^L DFFRXQWDELOLW^L EDFN^L WR^L WKDW^L DJHQF[¶] L \$QG^L , L ++ L , L WKLN^L
WKDW^L JRLQJ^L WR^L JR^L D^L CRQJ^L ZD[¶] L LQ^L UHMRULQJ^L FRQILGHQFH^L LQ^L WKH^L DJHQF[¶] L E\ L
WKH^L \$PHULFDQ^L SHRSCH[¶]

2QH^L LWXH^L ZH^L GLG^L GLVFXW^L ZDV^L WKH^L 5HQHZDECH^L)XH^L 6ADQGDUG[¶] L DQG^L LWW^L
LPSRUWDQFH^L WR^L P\ L KRPH^L WDWH^L RI^L 1HEUDVND[¶] L :H^L DUH^L WKH^L CDWHMW^L HWKDQRO^L
SURGXHJU^L ZH^L RI^L WKH^L OLWRXUL^L 5LYH[¶] L 2XU^L QHLJKERUV^L WR^L WKH^L HDW[¶] L 6HQDWL^L
(UQWW^L KRPH^L WDWH[¶] L WKH^L GR^L CHDG^L WKH^L QDNLRLQ^L LQ^L HWKDQRO^L SURGXWLRQ[¶]

&4 FRP 6HQDWL (QYLURPHQW DQGL 3XEOLF :RUNV &RPPILWH +ROGV +HUI3DJH + RI

6RL KRQRULQJ L WKLQJ FRQJUHWLRQDOO L PDQGDWHL WLPHOLQHV DQGL WKLQJ YROXPH
UHTXLUPHQW L WKDW DUH L FULWLDO L TURPL DQ L QYHWHQW SRLQW RI L YLHZ L DQGL ++ L
DQGL DOVR L TURPL DL SODQQLQJ L SHUSSHFWLYH L , L WKLQJ WKDW WKLVL LV L HVSHFLDOO L
UHOHYDQW L DQGL HVSHFLDOO L GXULQJ L WKLQJ ++ L WKLQJ FXUHQW IDUP L FULVLVL WKDW ZH L DUH L
VHLQJ L DQGL WKLQJ QHJDALYH L PSDRW RQL ++ L RQ L SRSCQH L DQGL DJULFXQWUH L DOO L
DFURW L WKLVL QDWRQ

,Q L RXU L PHWLQJ L \RX L GLG L H[SUHW L \RX U L FRPPLWHQW WR L PH L WR L KRQRUL WKLQJ
ODZ L \$Q L \RX L HFKRHG L 3UMLGHQW HCHW 7UXPSV L VXSSRUW IRU L WKLQJ WADWWH L
LWHDQ L DQGL DL WLRQJ L 592 L \$Q L IRU L WKLQJ UHFRUG L FDQ L \RX L SOHDW L RQFH L
DJDLQ L H[SUHW L \RX U L FRPPLWHQW WR L XSKROG L WKLQJ FRQJUHWLRQDO L QWHQW RI L
WKLQJ 5)6"

358,77 L

4H L 6HQDWL L \$Q L \RX L VDGL L W ZHOO L WR L KRQRUL WKLQJ L QWHQW L DQGL WKLQJ
H[SUHWLRQ L RI L WKLQJ 5HQHDOL)XH L 6ADQGDUG L WADWWH L LV L YHU L YHU L LPSRUWDQW L
,W L GRW WKLQJ MRE L RI L WKLQJ DGPLQLWLDWRL RI L WKLQJ (3\$ L WR L GR L DQWKLQJ L RAKHU L WKDQ L
DGPLQLWHL WKLQJ SURJUDPL DFFRUGLQJ L WR L WKLQJ QWHQW RI L &RQJUHW L DQGL , L
FRPPLW WR L \RX L WR L GR L VR

),6&+(5 L

\$Q L \RX L L

358,77 L

\$Q L WKLQJ ZDLYHUL ++ L DQGL , L ZRXOG L VD\ L WKLVL L 7KH L ZDLYHUL WKDW URXALQH L DUH L
RI IHUHG L E\ L WKLQJ DGPLQLWLDWRL ++ L UHFRQDO L DGRAKHU L ZDLYHUL ZD\ L RI IHUHG L ,W L
VKRXOG L EH L XHGL MAGFLRXVO L 7KHUHV L DL UHDVRQ L ZK L FRQJUHW L SW L LQ L WKDW
WADWWH L WKRML WADWWH L REMHFWLYH L

7KH L PDUNHW KDV L FKDQJHG L VLQFH L !! !! ↑ * L DQGL WKLQJ ZDLYHUL DXWKRULW L WKDW L
EHQ L SURYLGHG L E\ L WKLV L ERG L LV L LPSRUWDQW L %&W L W L ++ L WKDW ZDLYHUL DXWKRULW L
VKRXOG L EH L XHGL MAGFLRXVO L \$Q L WKLQJ DFW L VKRXOG L EH L FRPSOLHG L ZLWK L DQGL
HQIRUFHG L FRQVLWHQW ZLWK L WKLQJ ZLOO L RI L &RQJUHW

),6&+(5 L

7KDN L \RX L VLQ L \$Q L , L ZRXOG L DVN L WKDW \RX L DOVR L WHO L XV L SXEOLFO L ZKDW \RX L
AROG L XV L WKDW \RX L ZLOO L KRQRUL WKLQJ WLPHOLQH L RQ L WKLQJ YROXPH L OHYHOV L WKDW DUH L
PDQGDWHL E\ L &RQJUHW L DV L ZHOO

KWS ↑ ↑ ZZZ FT FRP GRF FRQJUHWLRQDOO DQWULS "¶ ↑ SULQWWLWUH ¶ + !!

&4◀ FRP↑6HQDWHL (QYLURQPHQW DQG L 3XEOLF L :RUNV L &RPPLWHL +ROGV L +HUI3DJH4 ▶ RI □

358,77 ▲

◀HV◀ ▲ ▲ ▲ ▲ 6HQDWRL

) ,6&+(5 ▲

7KDNL \RXL YHU\ L PXFK◀

%\$55\$662 ▲

7KDNL \RXL 6HQDWRL)LVRKHU◀

6HQDWRL OHUNCH◀

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7KDNL \RXL OUK ▲ &KDLUPDQH ▲ 2YHUL DL QXPEDUL RI ▲ VHDM\ ▲ LQIRUPDWLRQL WDWHG L
SRXULQJ L LQARL (3\$ L WKDW WKH L HVALPDWH L RI L WKH L DPRXQW RI ▲ IXJLWLYH L PHWDQH L
HMFDLSLQJ L LQJ JDVL DQG L RLO L GULOOLQJ\ ▲ KDYH L EHLQJ GHHSOL XQGHU HVALPDWHG\ ▲ ,Q L
+ !! ¶ ¶ \ L WKH L (3\$ L SXW RXW LWL EHWL HVALPDWHM\ L EDVHG L RQ L WKH L LQIRUPDWLRQL WKDW L
ZDV L EHLQJ L SUHMHQWKG\

\$QG L WKLVL LV L UHCHYDQW L EHFDXVH L PHWDQH L LVL DL ++ L DL JOREDO L ZDUPLQJ L JDV\ ▲
PRUH L SRWHQW WKDQL &2 L *DVL FRPSDQLHV L GLGQW L OLNH L WKLVL\ L EHFDXVH L ZHOO\ L LW
SUHMHQWGL D L YLVLRQ L QDWUDOL JDVL EHLQJ L PRUH L GDPDJLQJ\ L HQYLURQPHQWDOO\ ▲
WKDQL IRONV L KDG L SUHYLRAVOL XQGHUWRRG\

'HYRQL (QHUV\ L LVL RQH L RI L WKH L JURXSV L WKDW VRXJKW WR L FDW L GRXEW L RQ L WKLVL
VFLHQWLFL LQIRUPDWLRQ\ ▲ L DQG L WKH L FDPH L WR L \RX L WR L EH L WKHLL L VSRNHVSHUVRQH L
\$QG L WKH L DVHG\ L ZLQL L \RX L EH L RXU L PRXWSLHFH L LQ L FDW L QJ L GRXEW L DQG L VHOG L
DL CHWHL ZH L KDYH L GLD WHG L WR L WKH L (3\$ " L \$QG L \RX L VHGW WKDW CHWHL

\$QG L , L MXW L ZDQW WR L DM\ ▲ L ILMW\ ▲ L DUH L \RX L DZDUH L WKDW PHWDQH L LVL
DSSUR[LPDWHO\ L + !! L WLPHV L PRUH L SRWHQW WKDQL FDUEQL GLR[LGH L DVL D L JOREDO L
ZDUPLQJ L JDV"

358,77 ▲

, L DP\ ▲ 6HQDWRL ▲ ,W◀ ▲

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7KDNL \RX◀

&4◀ FRP↑6HQDWHL (QYLURQPHQW L DQGL 3XEOLF L :RUNV L &RPPLWHL +ROGV L +HUI3DJH4 + RI L

358,77 L

7KH L LPSDFW L RQ L KXPDLQ L KHDWK L ◀◀

0(5./(< L

7KDWL WKH L ++ L WKDWL WKH L DQVZHU L <HV L 7KDN L \RX L ,WL DL \HV QR L TXHMLRQ L
\$QG L RQ L DL QI L WR L QI !! L VFDOH L KRZ L FRQFHQHG L DU L \RX L DERXW L WKH L LPSDFW L RI L
IXJWLWYH L PHWKDQH L LQ L GULYLQJ L JOREDO L ZDPLQJ"

358,77 L

0HWDQH L DV L \RX L LQGLFDWHL L KDV L D L ◀◀

0(5./(< L

2QH L WR L WHQ L VFDOH L KLJKO L WHQ L YHUV L FRQFHQHG L RU L RQH L QRW L VR L FRQFHQHG"

358,77 L

7KH L TXQNLWLHV L RI L PHWKDQH L LQ L WKH L DAPRVSUH L FRPSDUHG L WR L &2 L LV L CHW L
EXW L WL L PRU L SRWHQW L DQG L WL L LV L VLPSOH L ◀◀

0(5./(< L

\$UH L \RX L FRQFHQHG" L ,PL DMNLQJ L DERXW L \RXUL OHMHO L RI L FRQFHQ

358,77 L

<HV L \HV L

0(5./(< L

+LJKO L FRQFHQHG"

358,77 L

,PL FRQFHQHG L

0(5./(< L

7KDN L \RX L 'R L \RX L DFNQRZOHGJH L VHGLQJ L WKLV L CHWHL WR L WKH L (3\$ L LQ L
2FREHU L ± !! QI QI "

&4 FRP[†] 6HQDWH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L +HUI3DJH^H + RI^L

358,77 L

6HQDWRU[‡] L WKDW^L LV^L D^L CHWHL^L WKDW^L RQ^L P^L CHWHL^HDG[‡] L WKDW^L ZDV^L VH^L WR^L WKH^L
(3\$[‡] L \HM[‡] L ZLWK^L UHSRHW^L WR^L WKH^L LWXH[¶] □ □

0(5./(< L

'R^L \RX^L DFNQRZOHGJH^L WKDW^L → L SHUFHQW^L RI^L WKH^L ZRUGV^L LQ^L WKDW^L CHWHL^L FDPH^L
GLUHRW^L TURP^L 'HYRQL^L (CHUJ\")

358,77 L

<RX^L NGRZ[‡] L ,YH^L CRW^L ORRNHG^L DW^L WKH^L ++ L WKH^L SHUFHQWDJH^L RI^L VLPLDU[¶] □ □

0(5./(< L

7KH^L VADWHPHQW^L WKDW^L BHQ^L DODOV<sup>]HG^L PDQ^L WLPHV^L LV^L WKDW^L DOD^L RI^L WKH^L ¶[‡] !! ¶[‡] !!
ZRUGV[‡] L H[FHSW^L IRU^L T → L ZRUGV[‡] L ZHUH^L ZULWHPQ^L GLUHRW^L E\ L 'HYRQL^L (CHUJ\")</sup>

358,77 L

6HQDWRU[‡] L WKDW^L ZDV^L WWS^L WKDW^L ZDV^L WNLQJ^L DV^L DMWUCHV^L JHQHDO[‡] L
UHSUHMQALQJ^L WKH^L LQHJHW^L RI^L RXU^L VADW[¶] L 2YHU^L ↑ ↑ L SHUFHQW^L RI^L RXU[¶] □ □

0(5./(< L

<MV[‡] L 6R^L , L GLGQW^L DVL^L WKDW^L TXHVALQ[¶] L , L ZDV^L MXW^L DVL^L WNLQJ^L LITL \RX^L FRSLHG^L WKH^L
CHWHL[‡] L YLUWDOO^L ZRUG^L IRU^L ZRUG[¶] L <RXH^L DFNQRZOHGJH^L WKDW^L \HM[‡] L IWW^L LQ^L WKH^L ++ L
IWW^L LQ^L WKH^L UHFRUG[¶] L 3HRSCH^L FDQ^L FRXQW^L IWW^L ,WW^L FRUHRW[¶] L \$OD^L ULJKW[¶]

6R^L D^L SXEOLF^L RI^L LFH^L LV^L DERXW^L VHUYLQJ^L WKH^L SXEOLF[¶] L 7KHUH^L LV^L D^L SXEOLF^L FRQFHUQ^L
RYHU^L WKH^L LPSDFW^L RI^L PHWKOQH^L RQ^L JOREDO^L ZDULPLQ[¶] L 7KHUH^L LV^L VFLHQWLFLF^L
UHM-DURK^L VKRZLQJ^L WKDW^L IWW^L IDU^L PRUH^L GHYDWDALQJ^L WKDQ^L DQNLFLSDW[‡] L DQG^L IDU^L
PRUH^L LV^L CHNLQJ^L WKDQ^L ++ L EXW^L \RX^L XMHG^L \RXU^L RI^L LFH^L DV^L D^L GLUHRW^L H[WHQMLRQ^L RI^L
DQ^L RLO^L FRPSDQ[‡] L UDWKHU^L WKDQ^L D^L GLUHRW^L H[WHQMLRQ^L RI^L WKH^L LQHJHW^L RI^L WKH^L
SXEOLF^L KHDKW^L RI^L WKH^L SHRSCH^L RI^L 2NODKRPD[¶]

'R^L \RX^L DFNQRZOHGJH^L WKDW^L \RX^L SUHMQW^HG^L D^L SULYDWH^L RLO^L FRPSDQV^L SRVWLRQ^L
UDWKHU^L WKDQ^L D^L SRVWLRQ^L GHYHORSHG^L E\ L WKH^L SHRSCH^L RI^L 2NODKRPD"

358,77 L

6HQDWRU[‡] L , L ++ L ZLWK^L UHSRHW[‡] L , L GLVDJUH[¶] L 7KH^L HIIRUW^L WKDW^L , L WRRN^L DV^L DMWUCHV^L
JHQHDO^L ZHUH^L UHSUHMQALQJ^L WKH^L LQHJHW^L RI^L WKH^L GADW^L RI^L 2NODKRPD[¶]

KWS ↑ ↑ ZZZ[¶] FT[¶] FRP[†] GRF[†] FRQJUHWLREDDOMQFULSAW "¶" ↑ SULQWVW^H ¶ + !!

&4 FRP[†] 6HQDJH^L (QYLURQPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLW^H^L +ROGV^L +HU13DJH^H^L RI^L

0(5./(< L

(DUOLHU^L \RX^L VDLG^L \RX^L ++ L \RX^L ++ L \RX^L < <

358,77 L

\$QG^L WKHUH^L ZDV^L D^L FRQFHUQL DERXW- WKH^L < <

0(5./(< L

1R^L 1R^L H[FXVH^L PH^L, PL++L, PL DMILQJ^L WKH^L TXHVALRQ^L <\RX^L VDLG^L HDUOLHU^L L \RX^L OLWHQ^L WR^L HYHU\RH^L, QL GLDMLQJ^L WKLV^L CHWHU^L L \RX^L WRRN^L DQ^L RLO^L FRPSDQ\V^L SRMVLRQ^L DQ^L WKH^L ZLWKRW- FRQXOWLQJ^L SHRSCH^L ZKR^L KDG^L GLYHUMH^L YLHZV^L DERXW- WKH^L LPSDFW^L L \RX^L VHOM- LW- RI I^L +RZ^L FDQ^L \RX^L SUHMHQW- WKDW^L DV^L UHSUHMHQWLQJ^L WKH^L SHRSCH^L RI^L 2NODKRPD^L ZKHQ^L \RX^L VLPSO\^ L RQO\^ L FRQXOWHG^L DQ^L RLO^L FRPSDQ\V^L WR^L SXV^L LW^L RZQ^L SRLQW- RI^L YLHZ^L IRU^L LW^L SULYDWH^L SURILW^L

358,77 L

6HQDWU^L WKHUHV^L DQ^L REOLJDWLQJ^L WKH^L (3\$ L KDV^L L WR^L IROORZ^L SURFHWHV^L DV^L HVADEOLVKHG^L E\^ L WKLV^L ERG^L < L 7KH^L FRXW- EHQHILW^L DQDOWLV^L XQGHU^L 6HFWLRQ^L ¶¶±¶ L LV^L VRPHWKLQJ^L WKDW- WKH^L KDVH^L WR^L HQUDJH^L LQ^L 7KHUH^L ZDV^L D^L FRQFHUQL DERXW- WKH^L RYHU+ HVALEPDWHG^L SHUFHQNDJHV^L WKDW- WKH^L (3\$ L SXW^L LQ^L WKH^L UHFRUG^L

,W- ZDV^L D^L UHFRUG^L EDVHG^L FKDOOHQJH^L L 7KDW- ZDV^L WKH^L H[SUHMLRQ^L RI^L WKH^L CHWHU^L WR^L WKH^L (3\$ L DQ^L LW- ZDV^L UHSUHMHQWLQJ^L WKH^L LQHJHWW- RI^L DQ^L LQGXWU\^ L LQ^L WKH^L 6ADW^L RI^L 2NODKRPD^L L QRW^L D^L FRPSDQ\V^L

0(5./(< L

7KQDN^L \RX^L 6R^L < <

358,77 L

\$Q^L LQGXWU\^ <

0(5./(< L

6R^L P\^ L TXHVALRQ^L ZDV^L ZKDW- RAKHU^L JURXSV^L L HQYLURQPHQWDO^L JURXSV^L L RU^L RAKHU^L JURXSV^L GLGL^L \RX^L FRQXOWL^L VRL^L \RX^L KDG^L WKDW- IXOO^L SHUHSRHWYH^L EHIRUH^L UHSUHMHQWLQJ^L VLPSO\^ L D^L IRU+ SURILW- RLO^L FRPSDQ\V^L L XVLQJ^L \RXU^L RI I LFLDO^L RI I LFH^L DQG^L \RXU^L RI I LFLDO^L CHWHUHGDG"

&4◀ FRP↑6HQDWHL (QYLURQPHQW L DQG L 3XEOLF L :RUNV L &RPPLWHL +ROGV L +HUI3DJH↑ ! RI □

358,77 ▲

7KHUHL ++ L , L ++ L , L FRQXOWHG L ZLWK L RAKHUL HQYLURQPHQWDO L RI ILFDOV L LQ L 2NODKRPD L
WKDW UHJXOWH L WKDW LQGXWUW L DQG L CHDUQHG L IURP L WKH L ZLWK L UHSHFW WR L WKH L
FRQFHQV L DERWW WKH L HVALPDWHL WKDW ZHUH L SURYLGHG L E \ L WKH L (3\$◀

0(5./(< ▲

&RXOG L \RX L SURYLGH L WKLV L FRPPLWHL ZLWK L LQIRUPDWLRQ L VKRZLQJ L ZKR L \RX L
FRQXOWHG L DQG L UHSUHMQWLQJ L WKLV L CHWHLU L VSHFL I LFDOD L IRU L 'HYRQL (CHWJ\ " L
ZHFDXWL WKH L LQIRUPDWLRQ L WKDW L LQ L WKH L SXEOLF L UHDOP L RQO V L VKRZV L WKDW L WKH L
VLPSOV L VHQL L \RX L D L CHWHLU L DVNHG L \RX L WR L VHQL L W L DQG L \RX L VHQL L W L ZLWKRW L
TXHVALRQ◀

358,77 ▲

<HDK L ZH L KDYH L VHYHQ L RU L VR L LQGLYLGXDOV L LQ L RXU L RI ILFH L WKDW DUH L LQYROMHG L LQ L
WKHM L NLQGV L RI L LWXHM L DQG L ZH L ZLOO L FROOHFW WKH L LQIRUPDWLRQ L WKH L KDYH L DQG L
SURYLGH L W L WR L WKLV L ERG L SXUWQDW L WR L WKH L FKDULDQV L GLUHFWRQ◀

0(5./(< ▲

<RXU L WDI I L H[SDQHG L VXEWDQWLDOO L ZKLCH L \RX L ZHUH L LQ L FKDUDQJ L WR L ↑ ¶ L WDI I L
PHPEHW L :K L GR L \RX L QHG L DQ L RXWLGH L RLO L FRPSDQ L WR L GLDWW D L CHWHLU L
ZKHQ L \RX L KDYH L ↑ !! L SHRSOH L ZRUNLQJ L IRU L \RX"

358,77 ▲

6HQDWHL DVL , YH L LOGLFDWHL G L WKDW ZDV L DQ L HI IRUW WKDW ZDV L SURAHFWLQJ L WKH L
WWDWW L LQHHLHW L LQ L PDNLQJ L VXUH L WKDW ZH L PDGH L WKH L YRLFH V L RI L DOO L
2NODKRPDQV L KHUG L RQ L D L YHUV L LPSRUWDQW L LQGXWUW L WR L RXU L WWDWW◀◀

0(5./(< ▲

<RX L VDLG L WKDW◀◀

358,77 ▲

◀◀◀ L FRQFHQWLQJ L UHFRUG◀◀

0(5./(< ▲

◀◀◀ L DOO L KHUG L EXW L \RX L RQO V L VHQL L W RQ L EHKDOI L RI L D L VLQJOH L YRLFH G L WKH L RLO L
FRPSDQ L 7KQDN L \RX◀

KWS ↑ ↑ ZZZ FT FRP↑ GRF↑ FRQJUHWL RDQWLDQWULSAW "¶ ↑ SULQWWLWHL ¶ + !!

&4 FRP 6HQDWL (QYLURPHQW DQG L 3XEOLF L :RUNV L &RPLLWHL +ROGV L +HUI3DJH ¶ ¶ RI ¶

%\$55\$662 L

, L WLOOL KDYH L VRPH L WPH L UHDLQLQJ L TURPL P L TXHMLRQLQJ L \$UH L WKH L
DQWLQJ L WKD W RXL QLNH L WR L DGG L WKD W RXL KDYH W IHOW L RXYH L KDG L D L
FKDQFH L LQ L WHUPV L RI L DQZHULQJ L IXOOL L VRPH L RI L WKH L DUHDV L RI L WKH L
TXHMLRQLQJ"

358,77 L

, L WKLQJ L 6HQDWL L WKD W KH L FODUL L FDWLQJ L WKD W KH L ++ L WKH L CHWHL L WKD ZDV L VH
AR L WKH L (3\$ L ZDV L CRW L VH W RQ L EHKOI L RI L DQ L RQH L FRPSDQ L 7KLV L ZDV L CRW
SDUWLFODUL WR L 'HYRQ L (QHJW L CRW L SDUWLFODUL WR L &KMDSHDNH L CRW L SDUWLFODUL
AR L RAKHUL FRPSDQLHV L LQ L RXU L WDWKH L , W ZDV L SDUWLFODUL WR L DQ L LGXWNU L

7KH L 6DWHL RI L 2NOKRPD L KDV L DQ L RLO L DQG L JDV L LGXWNU L WKD L LV L YLEUDQW WR L RXU L
WDWKH L DV L RXL PLJKW L PDJLQH L MHW L OLNH L PDQ L RI L RXL KDYH L LGXWNU L LQ L RXU L
WDWKH L 7KHUH L ZDV L FRQFHQ L H[SUHWHGL E\ L WKD L LGXWNU L PDQ L IRONV L LQ L WKD
LGXWNU L DERXW W KH L RYHU H WLPDWLQJ L WKD RFFXULHGL ZLWK L WKD PHWDOH L UXOH

7KD W ZDV L WKH L FRPPXQLFDWLQ L WR L WKH L (3\$ L , W ZDV L WKH L SRVLWLRQ L RI L WKH L WDWKH L
CRW L WKH L SRVLWLRQ L RI L DQ L RQH L FRPSDQ L

%\$55\$662 L

7KDQNL RXL 6HQDWL ORUDQ

025\$1 L

&KOLUPDQ L WKDQNL RXL YHU L PXFK

*HQHUDO L 3UXLW L ZHFRPH L WR L WKH L FRPPLWHL L , L WKDQNL RXL IRU L RXU L SXEOLF L
VHUYLFH L , PL JRLQJ L WR L VHL L L , L FDQ L JHW L WKURXJK L WKH L DUHDV L LQ L WKH L ILYH L
PLQWHL W WKD , L KDYH

)LUVW RI L DOO L :2786 L ZDWHUV L RI L WKH L 8QWHLG L 6DWHL L GHMSLWHL WKH L EHLOQ L DQ L
LQMQWLRLQ L DJDLQW L WKH L HQIRUFPHQW RI L WKH L :2786 L UXO L , PL WROG L WKD W (3\$ L
5HJLRQ L → L WKH L UHJLRQ L LQ L ZKLFK L . DQMDV L LV L SDUW L WKRH L UHJLRQDO L LQSHFARUV L
KDYH L LQFHDMHG L WKH L LQSHFARQ L RI L VPDOCHU L DQLPDO L IHGLQJ L RSHUDWLRQ

8QDNH L PDQ L WDWKH L . DQMDV L KDV L D L ZHOO H WDEOLVKHG L WDWHL SHULPW VVWHP L
IRU L VPDOOL IDFLQWLHM L DV L ZHOO L DV L WKH L GHJUDWHL DXWKRULW L XQHUL WKH L &HDQ L
:DWHL \$FW L 5DAKHUL WKDQ L FRUGLQDWH L WKH L (3\$ L ++ L UDWHUL WKDQ L FRUGLQDWH L

&4 FRP[†] 6HQDWL (QYLURPHQW^L DQG^L 3XEOLF^L :RUNV^L &RPPLWHL^L +ROGV^L +HUI3DJH[†] + RI^L

ZIWK^L WKH^L WWDWH^L DJHDF[†] L^L WKH^L (3\$^L KDV^L HQJDJHG^L LQL^L IWW^L RZQ^L LQSHFLRQV^L DQG^L
IWW^L RZQ^L HQIRUHPHQW^L RQ^L WKHM^L VDQO^L IDFLOWLHM[†] L^L RMHQ^L FRQIOLFLQJ^L ZIWK^L WWDWH^L
SHPLWMLQJ^L LQ^L WKH^L HQIRUHPHQW^L SURFH^L

,Q^L WKHM^L DFALRQV[†] L^L WKH^L (3\$^L KDV^L FODLPHG^L MAULVGLFLRLQ^L RYHU^L IHDXUHV^L OLN^L
JUDW^L ZDWHUZD[†] L^L FXOYHJAW^L XQGHU^L FRXQW^L URDG[†] L^L XQFRQCHRHG^L WR^L WKH^L
IHGLQJ^L RSHUDWLQ[†] L^L DQG^L CRW^L VIWWDWHG^L LQ^L RU^L QHDL^L DQ^L ERG^L RI^L ZDWHU^L

*HQHUDO^L 3UXLW[†] L^L ZKDW^L ZRXOG^L \RXU^L GLUHFRLRQ^L EH^L WR^L WKH^L (3\$^L WDI[†] L^L WR^L 5HJLRQ^L
→ L^L DQG^L RWKHU[†] L^L LQ^L UHJDUG^L WR^L WKH^L DFALRQV^L HQIRUFLQJ^L :2786^L ZKLO^L DQ^L
LQMQFLRQ^L LV^L LQ^L SODFH^L

358,77 L

:HDL^L 6HQDWL[†] L^L DV^L \RX^L LQGLFDW^L ++ L^L DQG^L , L^L GR^L ZDWH^L WR^L DFNQRZOHQJH[†] L^L WKH^L
VDPH^L FRQFHQV^L KDYH^L EH^L HQ^L H[SHW^L G^L E\ L^L WKRH^L LQGLYLGXDO^L LQ^L 2NDKRPD^L
DQG^L GL^L IHUHQW^L JURXSV[†] L^L ZIWK^L UHSR^L WR^L WKH^L ++ L^L WKH^L :2786^L GHILQWLRQ^L WKDW^L
KDV^L EH^L HQ^L RI^L IHUHG^L EV^L WKH^L (3\$^L WKDW^L LV^L VXEMHRW^L WR^L DL^L +^L +^L WWDWH^L FKOOCHQJH[†] L^L
WKDW^L ZDVL^L FRQVROLGDW^L WKH^L EHIRUH^L WKH^L 6LMW^L &LUFXLW[†] L^L \$Q^L DV^L \RX^L
LQGLFDW^L WKH^L KDV^L EH^L HQ^L DL^L WDI^L RI^L HQIRUHPHQW^L DJDLQW^L WKDW^L SDUWLFXODU^L
UXCH^L

7KH^L 6XSUH^L &RXUW^L DRW^L CDW[†] L^L CDM^L)ULG[†] L^L WRRN^L XS^L D^L PDW^L RI^L MAULVGLFLRLQ^L
RQ^L WKDW^L ++ L^L RQ^L WKDW^L FDM[†] L^L VR^L WKDW^L DGGV^L VRPH^L FRPSOH^L WR^L WKLV^L L^L %XW^L , L^L WKLQ^L
WKH^L UROH^L RI^L WKH^L (3\$^L SURVSHFWLYH[†] L^L LV^L WR^L ++ L^L WR^L VHNL^L WR^L SURYLGH^L FODULM^L RQ^L +
RQ^L ZKDW^L WKH^L WUXH^L GHILQWLRQ^L ZKDW^L WKH^L EHWW^L GHILQWLRQ^L LV[†] L^L ZIWK^L UHSR^L WR^L
ZDWHU^L RI^L WKH^L 8QW^L WKDW^L

\$V^L \RX^L NQRZ[†] L^L WKH^L LV^L PXFK^L ICH[LELOLW^L DQG^L GLVFUH^L WKH^L JLYHQ^L WR^L WKH^L
(3\$^L LQ^L DL^L VHULHV^L RI^L FDM^L WKDW^L CHDGL^L XS^L WR^L WKH^L 5SDSQR^L GHFLVRQ[†] L^L WKDW^L
KDYHQW^L SURYLGH^L DL^L WUHPHQGRXV^L DPRXQW^L RI^L FODULM^L 7KH^L EHWW^L WKLQJ^L WKH^L
(3\$^L FDQ^L GR[†] L^L JRLQJ^L IRUDUG[†] L^L LV^L WR^L UHWADEOLVK^L WKDW^L FODULM^L VR^L WKDW^L WWDWH^L
DQG^L LQGLYLGXDO^L NQRZ^L ZKDW^L H[SHW^L RI^L WKH^L LQ^L FRPSOLDQF^L

025\$1 L

*HQHUDO[†] L^L WKDW^L \RX[†] L^L , L^L GROW^L WKLQ^L , L^L QH^L WR^L ++ L^L WR^L UHPLQ^L \RX[†] L^L LQ^L SDUWLFXODU[†]
DERWW^L WKH^L UROH^L WKDW^L WWDWH^L SOD^L LQ^L FODQ^L ZDWHU^L

%XW^L , L^L ++ L^L EXW^L , L^L ZRXOG^L WDNH^L DL^L PRPHQW^L WR^L KJKOLJKW^L VRPHWKLQJ^L WKDW^L LV^L RMHQ[†] L^L
WKLQ[†] L^L IRUWRW^L LQ^L WKH^L UHJXODWU^L ZRUG^L RI^L ZDWHU[†] L^L ZDWHU^L TXDOLW[†] L^L LV^L WKH^L
'HSDUWPHQW^L RI^L \$JULFXO^L WKH^L QDAXUDOL^L UHMRXUFH^L FRQHJUHDLRQ^L VHULFH^L LQ^L
ZKLFK^L ODQGRZQHUV^L DUH^L DWLW^L WKURXJK^L WKH^L 'HSDUWPHQW^L RI^L \$JULFXO^L

KWS ↑ ↑ ZZZ FT FRP[†] GRF[†] FRQJUH^L RDOW^L DQG^L FULSW["] "¶ + SULQWWLW^L ¶ + !!